# INTERNATIONAL AFFAIRS

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THE PRESENT INTERNATIONAL OUTLOOK
By General the Right Hon. J. C. Smuts, C.H., F.R.S., K.C., M.P.

KING ALEXANDER'S ASSASSINATION: ITS BACKGROUND AND EFFECTS
By Dr. R. W. Seton-Watson

THE INDIAN STATES AND THE REFORMS
By Major-General the Right Hon. Sir Frederick Sykes, G.C.S.I., G.C.I.E., G.B.E., K.C.B., C.M.G.

AN AMERICAN VIEW OF FAR EASTERN PROBLEMS
By Professor Quincy Wright

THE POLITICS OF INTERNATIONAL AIR ROUTES
By Lieut.-Colonel H. Burchall, D.S.O.

AMERICAN ECONOMISTS ON THE SLUMP
By H. D. Henderson

BOOK REVIEWS AND NOTICES
Harold Barger, Cdr. Carlyon Bellairs, Norman Bentwich, C. Waley Cohen, Alexander P. Fachiri, Brig.-Gen. P. R. C. Groves, Kenneth Headlam-Morley, William Miller, D. Mitrany, Count de Salis, H. A. Smith, R. H. Tawney, Hartley Withers, Alfred Zimmern, and others.

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# BOOKS REVIEWED IN THIS ISSUE

***General:***



***League of Nations and International Law:***



***Armaments and Peace:***



***Economic and Financial:***



***British Commonwealth of Nations:***

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## CONTENTS




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# INTERNATIONAL AFFAIRS

*JANUARY-FEBRUARY*, 1935

## THE PRESENT INTERNATIONAL OUTLOOK[1]

By General The Right Hon. J. C. Smuts, C.H., F.R.S., K.C., M.P.

The Chairman, Lord Derby, after proposing the Toasts of "The King" and of "The Queen, the Prince of Wales and other members of the Royal Family," proposed the Toast to General the Right Hon. J. C. Smuts in the following words:

Your Graces, My Lords and Gentlemen, this is probably the most representative dinner at which any of us have ever been present, and I could wish that there was somebody else who could have imparted to General Smuts the feelings of regard, respect and of affection that come from all sorts and conditions of men within this Empire.

I wondered why I was asked to be Chairman, and I was told that it was because I was not a politician. This is a purely non-political gathering and a party politician would certainly have been out of place as Chairman. In days gone by I should rather have resented being told that I was not a politician. I no longer resent it; I take it more or less as a compliment. Do not think that I want to raise a cheer by saying that I am not a politician. To say it always does raise a cheer, yet at the same time if a man is not a politician in the wider sense of that word, it means that he takes no part in or thought of his country and its future, that his only object in life is to let other people do the work and then to criticise them. A non-party politician, if I may say so, is somewhat different. He may take a broader view, and he does take, I hope, in my case, a broader view than the party politician. As one goes into retirement from active political life, one sees that there is good in all parties. I have had experience in the last eighteen months in a certain much-discussed and, in future, probably much-criticised Committee, and that has taught me that if you are thinking of the Empire as a whole, you have to look outside party politics and be a politician in the wider sense to which I have referred.

You are not here to listen to my political opinions and I only say

[1] Speech given by General Smuts as the Guest of Honour at a dinner arranged by the Royal Institute of International Affairs at the Savoy Hotel, London, on November 13th, 1934, the Right Hon. the Earl of Derby, K.G., G.C.B., G.C.V.O., in the Chair.

what I have said because I do look upon General Smuts, and always have looked upon him, as the embodiment of what I should myself like to be as an exponent of Empire policy. I must roughly sketch his career, as far as it affects me personally. In the year 1900, at the time of the Boer War, I had not the same affection for General Smuts that I have at the present moment. Afterwards we became colleagues during the Great War. I have an admiration for him which increases day by day and year by year. A very gallant opponent in war when he was fighting against us, he was the most loyal ally when with us that any man could possibly have. During the whole of the Great War he gave of his best to the Empire, both in military service and in advice and counsel at home. He had seen, perhaps only dimly and for a moment, that the future of his country lay not in standing by itself but in being part of the greatest Empire in the world. At the end of the War he did more than that. He looked ahead and he said, What is to be the outcome of this war so far as the British Empire is concerned? He saw in the future, not a lot of separate nations, but one great united whole under Our Sovereign Lord the King.

In the endeavour to consolidate the Empire, no effort has been spared on his part, and we welcome him here to-day as an old foe, as a great friend, and as a consolidator of Empire. He does not only represent that portion of the Empire from which he comes, but he will breathe to us the spirit of the Empire as a whole. He sees as we see, and must every day see more and more clearly, that in the great councils of the world this small country of ours, great as it has been in the past, great as it is in the present, must depend in the future on having side by side with it those great Dominions beyond the seas. Therefore to-night when he speaks to us on the question of the relations of this country in international affairs, he is speaking with a sentiment of intense loyalty to the great Empire of which he is a part, and I am perfectly certain that nothing will so hearten those who are determined to leave to those who come afterwards an Empire strengthened in every direction and bound closer and closer by other than sentimental ties. He is speaking in that voice, and as that representative of an Imperial, not militarist but an Imperial, spirit, I ask you to drink the health of your guest here this evening—General Smuts.

General Smuts said:

Lord Derby, Your Graces, my Lords and Gentlemen, I feel deeply grateful to you, Lord Derby, for the kind and all too flattering things which you have said, prompted by kindly memories of our collaboration in the greatest period of our lives. I thank you most profoundly for the words of appreciation and affection which have fallen from you and which I most thoroughly reciprocate. Your chairmanship to-night adds distinction to this gathering and I am very grateful to you for your support.

I am also deeply sensible of the great honour which the Royal Institute of International Affairs is doing me to-night. Coming from so important and representative a body, this banquet is the crowning event, as it is also the very last function, of my present visit to this country. I wish to thank very sincerely, not only the Institute, but all of you, all this large and brilliant gathering which has come to-night to bid me welcome and also to bid me farewell.

Let me begin by paying my tribute to the great work of the Royal Institute of International Affairs and to the work of the devoted men and women who have been doing their best, for years now, to make it the great success that it has been. On an occasion like this I cannot forget, we may not forget, that the success of the work of this Institute has been in large measure promoted by the generosity, the financial assistance of a leading South African who is also with us to-night.

The Institute is discharging a most useful and necessary function as a forum for discussion and study of international questions. This work is all the more necessary in view of the growing importance of international relations in the modern world, the preoccupation of public men with the daily affairs of their own peoples, and the necessity of arriving at clarity on fundamental principles which should guide foreign policies. The Institute is, so to say, doing the work of a General Staff for foreign affairs.

I am here to-night to speak to you on the present international outlook. I do so in no dogmatic spirit, but only in order to join in this process of study and discussion and in that way make my contribution to the work of the Institute. It is my intention to discuss the present situation quite frankly, and with the seriousness which its grave character calls for. If I drop any bricks, the blame and responsibility will be all my own.

Looking at the European situation to-day, as distinct from the wider world situation (to which I shall refer later), I am deeply impressed by the fact that two underlying forces are to-day creating and shaping policies—the fear complex and the inferiority complex. Both are dangerous complexes, the symptoms of disease and not of healthy growth, and unless they are treated on wise lines they may in the long run produce very serious consequences for the public mind and life of the world. It may seem a humiliating confession to make, but it appears to be a fact that fear is to-day the real driving force in our European relations. Fear, the meanest of human motives, is to-day the master of us

all. The victors of the Great War, so far from feeling secure in their victory, are in fact obsessed with this almost neurotic fear. And the vanquished are reacting in the obvious and inevitable way by refusing to accept their enforced inferiority and their position as second-class nations in the comity of civilisation. The victors are actuated not by confidence but by the fear of the defeated; the defeated are determined to reconquer their lost equality with the victors. The mental reactions seem, in fact, to be reversing the rôles created by the Great War. It is all a topsy-turvy and almost absurd state of affairs. But it is this mental topsy-turvydom which is to-day driving Europe forward on the road to chaos. In these obsessions reason is in abeyance, the finer human instincts are paralysed, and a wrong twist is being given to our future development as a well-ordered continent. Every urgent question becomes insoluble in this atmosphere of distortion. Disarmament has almost suffered shipwreck when every solid reason points to its necessity; and international cooperation is endangered where every common European interest calls imperatively for it.

If Europe is ever to get back to the right road again, it seems to me necessary that the nations, both victors and vanquished, should be cured of their Freudian obsessions, should recover their common-sense and sanity, and should once more see things in their right and normal relations. There is no super-psycho-analyst to do this, but it is at least necessary to diagnose the disease, to recognise that it is a disease, and not a normal healthy condition. Once Europeans admit to themselves that they are perhaps a little mad, the cure would come of itself. A sense of humour, of good-humour, and a little laughter at themselves will do the rest. " Know thyself " was the wise oracle to Socrates; " Know thyself " is the word to be spoken to-day to Europe in its temporary obsessions and aberrations. There is no doubt that the spell will pass, but what irreparable mischief is being done while it is on! Let statesmen but become the courageous doctors to their sick peoples and it will soon pass.

One of the symptoms of this fear complex is the war-talk which is now so common. It is represented that we are on the brink of another war, that war is waiting just round the corner. This war-talk is creating a war atmosphere and is more likely to lead to war than anything else. To me it seems all a vicious and dangerous mistake. And the curious thing is that pacifists are most responsible for the scaremongering. In their well-meaning efforts to frighten people into disarming and to a sense of dangers to

come they are actually fomenting the mentality that leads to war. To me it seems that the only shrewd, wide-awake people who indulge in war-talk are the manufacturers and vendors of munitions. With all the emphasis at my command, I would call a halt to this war-talk as mischievous and dangerous war propaganda. The expectation of war to-morrow or in the near future is sheer nonsense, and all those who are conversant with affairs know it. Conditions to-day are very different from those of 1914. Then war in the near future was a set policy for which the old Empires were feverishly preparing. They all had their "day" to which the general staffs looked forward eagerly. To-day nobody wants war; every statesman knows that it will be the ruin of his country and the end of himself. With perhaps one exception, not a single nation is to-day prepared for war, and war will simply mean internal revolution. And even in the case of the doubtful exception to which I refer, the people itself is profoundly pacific. To-day it is not the military but the economic front which dominates the thoughts of statesmen. We are continually being told of what is happening beyond the Rhine, of the secret arming and drilling and preparing. That may be all true, and a great deal of it must be true, but it is probably no more than the workings of the inferiority complex. It is not real militarism, it is only military dope. Those wild doings create a blessed sense of satisfaction and relief in those who consider themselves inferior or humiliated by their neighbours on the other side of the Rhine. The real war spirit is another and very different thing. It may possibly revive again if we are unwise enough to let things drift, but for the present it lies buried under the ruins of November 11th, 1918. To tell me that the German people really desire war and are deliberately preparing for it is asking me to believe that they are madder than any people to-day could possibly be. Let us stop this senseless war-talk, the mischievous tendency of which is to translate itself into fact sooner or later. I do not mean to deny that the times are full of dangers and full of anxieties, but they do not justify this loose and dangerous war-talk and war propaganda.

The remedy for this fear complex is the Freudian way of dragging it out from its hidden depths, bringing it into the open and exposing it to the light of day. And this is exactly the method of the League of Nations. The League may not be a satisfactory source of security, it may be wanting in that element of sanctions which many consider so necessary. But at any rate

it is an open forum for discussion among the nations, it is a round table for the statesmen around which they can ventilate and debate their grievances and view-points. The "Open Diplomacy" for which Woodrow Wilson so ardently pleaded is enshrined in the Covenant and is to-day the settled and accepted method of international intercourse in the League. The League was designed to be first and foremost the Round Table of the nations, and at that table and in open discussion the secret fear complex can be treated and in the end cured along truly human and scientific lines.

There are those who say that this is not enough—that as long as the League remains merely a talking shop or debating society, and is not furnished with "teeth" and proper sanctions, the sense of insecurity will remain, and the fear complex will continue to dominate international relations. It is also felt that the inability of the League to guarantee the collective system by means of force, if necessary, is discrediting it and leading to its decay. It is said that the crucial case of Manchukuo has exposed the real weakness of the League and shown that, unless armed with force to carry out its policies, it is doomed. My answer to that is twofold.

In the first place, I cannot visualise the League as a military machine. It was not conceived or built for that purpose, it is not equipped for such functions. And if ever the attempt were made to transform it into a military machine, into a system to carry on war for the purpose of preventing war, I think its fate is sealed. I cannot conceive the Dominions, for instance, remaining in such a League and pledging themselves to fight the wars of the Old World; and if the Dominions leave it, Great Britain is bound to follow. I cannot conceive anything more calculated to keep the United States of America for ever out of the League than its transformation into a fighting machine, pledged to carry out its decisions by force of arms if necessary. And remember the United States has still to join the League before it ever will be its real self. Membership of the United States was the assumption on which the League was founded; defection of the United States has largely defeated its main objects. And the joining up of the United States must continue to be the ultimate goal of all true friends of the League and of the cause of peace. A conference of the nations the United States can, and eventually will join; it can never join an international War Office. Remembering the debates on this point in the League of Nations Commission which drafted the Covenant, I say quite definitely

that the very idea of a league of force was negatived there; and the League would be false to its fundamental idea and to its great mission as the board of conciliation and settlement for the nations if it ever allowed itself to be turned into something quite different, something just the opposite of its original idea—into a league of force. The solution of the difficulty as regards the fear complex does not lie in that direction.

But, in the second place, experience since the inception of the League has, in fact, taught us the way out. Locarno has been incorporated into the League or the collective peace system as part of it. And Locarno establishes the principle of limited sanctions, of a smaller group within the League entering into mutual defensive arrangements under the ægis and subject to the control of the League. This does not throw the obligation to use force willy nilly on all members, but binds only those who on grounds of their special situation and interests choose to enter into such arrangements. The Eastern Pact or Locarno which the late M. Barthou proposed for Eastern Europe, as modified by the British Government, would, if it does not miscarry, be another such system of limited sanctions to buttress peace within the League. Its present prospects are somewhat uncertain, but it may be that eventually some such Pact or Pacts may yet be found feasible in Eastern Europe and in other parts of the world. If the fear obsession in Europe can be removed only by sanctions, then let it be on some such limited basis and within the circumscribed area of those interested, and not by a departure from the principles of universality and conciliation enshrined for ever in the Covenant. To endeavour to cast out the Satan of fear by calling in the Beelzebub of militarism, and militarising the League itself, would be a senseless and indeed fatal proceeding. Whatever forces are used to support peace must be national and not League forces, and must be assembled and employed by mutual defence arrangements of those concerned, made under the general supervision and sanction of the League.

I have so far referred only to the fear complex and the way to deal with it. But the other or inferiority complex is very closely associated with it—in the same way that the mentalities of victor and vanquished are closely associated. If we desire peace it is little use dealing with the one without courageously tackling the other also. It is no use piling up sanctions to remove fear if at the same time we do not strike at the root of the inferiority complex. The fear increases as the inferiority complex becomes more inflamed and threatening. The inferiority complex, again,

becomes more inflamed as the fear complex arms itself with defensive weapons. They reciprocally feed each other, they reinforce and augment each other, and both together lead to a policy of fresh defensive armaments. Unless both are therefore dealt with we shall continue to keep moving in a vicious circle of complexes and of increasing armaments. Unless both the complexes are healed, I fear the policy of disarmament will continue to suffer the reverses which it has so far encountered. It is simply a case of cause and effect. The removal of the inferiority complex from Germany is just as essential to future peace as the removal of fear from the mind of France; and both are essential to an effective disarmament policy.

How can the inferiority complex which is obsessing and, I fear, poisoning the mind and indeed the very soul of Germany be removed? There is only one way, and that is to recognise her complete equality of status with her fellows, and to do so frankly, freely and unreservedly. That is the only medicine for her disease. And when we have summoned up sufficient courage to treat her in that human way, as our equal in the comity of nations, then and not till then will the old wound cease to fester and poison the life of Europe. As long as recognition of her equal position is denied her, the sense of grievance and injury will continue to rankle. This is perfectly human, and it is this human situation which we should face with wisdom and courage.

While one understands and sympathises with French fears, one cannot but feel for Germany in the position of inferiority in which she still remains sixteen years after the conclusion of the War. The continuance of her Versailles status is becoming an offence to the conscience of Europe and a danger to future peace. Surely there is sufficient human fellow-feeling left in Europe to see that the position has become intolerable and a public danger. There is no place in international law for second-rate nations, and least of all should Germany be kept in that position half a generation after the end of the Great War. Fair play, sportsmanship—indeed every standard of private and public life—calls for frank revision of the position. Indeed ordinary prudence makes it imperative. Let us break those bonds and set the captive, obsessed, soul free in a decent human way. And Europe will reap a rich reward in tranquillity, security and returning prosperity. Some people consider magnanimity out of place in international affairs. I have seen it in my own country recreate a position of dangerous potentialities into one of everlasting friendship between victor and vanquished. That is the way we humans are built. But if

there is no place for magnanimity and generosity in European politics, at any rate here is a case where necessity and prudence point in the same direction and call for the same action. Let us take that action before it is too late. Only such action can bring healing to the sick souls in Europe and lay the ghost of that inferiority complex which is rapidly becoming a flaming portent of danger to the future of our European system. The time is come to call halt to these devastating passions and to make peace—to complete that true peace which we admittedly failed to make at Versailles.

Germany's equality of status has already been conceded in principle. This was done in December 1932, when the Great Powers at the Disarmament Conference agreed to accord Germany "equality of rights in a régime of security." If this declaration had been followed up and acted on in the Conference itself, Germany would to-day still be a member of the League and not a disturbing factor outside it, and we would probably have had an agreement on a far-reaching measure of disarmament brought forward by the British Government. Now she is out of the League, her armament position is wrapped in obscurity and danger, and the opportunity for a general measure of disarmament seems further off than ever. It is the story of the Sybilline books. The circle of the two complexes and of the consequent growing armaments is tightening round Europe. Let us hurry to untie the knot and set the good genius of European civilisation once more free from the bonds which may strangle her in future. The call to Europe is becoming ever more insistent to set her house in order, and not to allow present tendencies and complexes to become chronic. We dare not bequeath to the coming generation a legacy of chronic disorder which may prove more than they can bear. The suffering, fear-driven peoples of Europe, filled with anxieties and forebodings for the future, appeal to their political leaders for wise guidance and courageous leadership. Is it too much to hope that, with a great lead from the leaders now, a new atmosphere may even yet be created, and a new situation arise in which we could return to the more hopeful outlook which obtained more than a year ago, and in that friendly atmosphere resume the threads which were then so rudely broken off? A really great gesture even now may avail to dispel the fear and inferiority complexes and to render possible a new start in European relations and a propitious resumption even of the disarmament conversations. Europe may yet be steered into calmer waters and into an era of friendly collaboration. My point is

that time is passing and that what has to be done should be done quickly.

Germany declared at the end of last year that, if she was in principle accorded equality of rights, she was in practice willing to limit her defensive armaments so as to be no danger to her neighbours. The specific proposals in respect of her rearmament which she made were admitted by authoritative opinion, at least in this country, to be a not unreasonable basis of discussion. That was the decision a year ago. Why should a great opportunity to secure European peace and so make a new start in European cooperation be wantonly jettisoned? Repugnant as the principles of Nazi-ism may be to many other Western peoples, that surely is no reason why Germany's equal international status should not be recognised and the obsessions which lie at the root of Nazi-ism thereby removed. Russia in spite of her Communism has at last been welcomed into the circle of the League. Surely the necessity for recognising Germany's equal international status is no less imperative, whatever her internal political system may be.

Unfortunately, there is a spirit of fatalism and defeatism abroad. People shrug their shoulders and despair of anything being done. This is a spirit which ill becomes those who have learnt the lesson of the Great War. A resolute and determined effort even now might avail to save the situation, to bring Germany back to the Disarmament Conference and the League, and probably lead to a substantial step forward in agreed Disarmament. But European statesmanship must clear its mind of obsessions and screw up its courage and boldly take the necessary step in declaring Germany's equal status. If this is not done by agreement, it may soon come of itself. But with this difference, that whereas the future armament of Germany could have been a matter of agreement with her neighbours, her self-asserted unilateral equality may lead to complete freedom in the matter of her rearmament. It will be with disarmament as it already is with reparations: in default of reasonable action and agreement while there is yet time both may founder and become obsolete issues in the march of events. Statesmanship will have abdicated and events will then decide.

So far I have confined my remarks to the European situation. Europe, like the poor, is always with us. But in the Far East a cloud is appearing which, although it is at present no greater than a man's hand, may come to overshadow the whole international sky in time. Already on its mere appearance it has severely

shaken the League and led to menacing reactions in many directions. People instinctively realise that here is a phenomenon of first-class order, which may have the most far-reaching effects on the fortunes of peace, and indeed of our civilisation. Manchukuo is perhaps not yet the parting of the ways, but it is the warning that we are coming to the parting of the ways, and may soon have to make very solemn choices in national policy.

I have always looked upon the Washington Treaties of 1922 as probably the greatest step forward yet taken since the Peace on the road to a stable future world order. In 1921 at the Imperial Conference of that date I stated my view that a great change was coming over world politics and that the scene was shifting from the Atlantic to the Pacific. It was felt, and not by me only, that the future of the world would probably be decided not in the Atlantic but in the Pacific Ocean and countries. The pot might continue to boil in Europe for another generation, but in the end it would simmer down. Europe would settle her essentially family quarrels in the end, and a state of more or less peaceful equilibrium would be reached. That feeling I have still. But for these tiresome and obstinate neuroses to which I have referred Europe would probably already be settling down. The storm centre will pass away from the countries of Christian civilisation and shift to the Far East. There in the Far East the hand of destiny is still writing in its unknown script—in a language and in ideas which are scarcely intelligible to the Western mind. The achievement of the Washington Conference was just this—that in this new danger zone of the future a concert or collective system of the Powers concerned had been built up, a loose conference system, founded on certain vital issues, which might do for the Far East what the Geneva League was attempting to do in the West. Comparative naval power, the integrity of China, the open door in that immense potential market, were agreed in principle, and in case of any differences or danger arising the Conference would meet for discussion. Here was the most promising thing for world peace which had taken place since the Covenant. The question which is now being raised is whether the promise of Washington will be fulfilled and may not prove to be a mere mirage. Manchukuo, as I said, points the danger signal. Now the treaty on naval ratios seems to be in danger; and if that goes the other issues settled at Washington may also be reopened and the whole Pacific concert may collapse. Here is something far more dangerous for the future than these present temporary and passing differences in Europe.

At present we are very much in the dark as to what is actually going on. Conversations are taking place here between the parties to the Four-Power Treaty, the outcome of which is still uncertain. Under these circumstances it would be futile, and might even be harmful, to enter upon a discussion of the merits of the naval questions involved, and I do not propose to do so now, even supposing I were competent to do so. There is, however, an air of pessimism about the outcome of these conversations which gives food for thought. In view of this, and in view also of the far-reaching issues involved, it may perhaps be permissible to refer even briefly to certain broad aspects of the whole question and to certain fundamental considerations of policy which I submit should be steadily borne in mind. I therefore address myself to a few general observations on the underlying policies which strike me as pertinent.

In the first place, this threat to the continuance of the Washington arrangements and the Pacific concert, with all it may ultimately involve, must be another serious call to Europe to put her house in order. It must be plain to everybody that the rift in the lute now beginning in the East may have very disturbing effects on the European concert as well. Whereas Europe left to herself may in the end come to some working equilibrium, the new trouble in the East may easily destroy that prospect. Adversity makes strange bedfellows, and those who have in the past talked loudest of the so-called Yellow Peril may in future be tempted to look for friends in that unlikely quarter. The day when Europe calls in the Far East to redress the balance of the West will be an evil day for Western civilisation and the peace of the world. In view of the situation now developing in the Far East, European statesmen should redouble their efforts to compose European differences before it is too late. The dangers I allude to are so evident that I need not dilate further on this point.

In the second place, I would appeal most earnestly and in the friendliest spirit to Japan as our old friend and war-time ally to pause before she puts in motion machinery which will in the end imperil the concert in the Pacific. She has already given notice of withdrawal from the League. If in addition she withdraws from the Washington Treaties the whole collective system goes so far as she is concerned. For herself this might mean a position of isolation which experience in the Great War has shown to be most dangerous even for the greatest of military Powers. And for everybody else the disappearance of the Pacific concert would be a matter of the gravest concern. The collective system is

probably the most beneficent of all post-War changes in international affairs, and its weakening or destruction might involve dangers the magnitude of which none can foresee to-day. I therefore pray for the most serious reflection before the final plunge is taken.

In the third place, everything possible in the power of diplomacy should be done to avoid even the appearance of antagonism between East and West. The potentialities of the situation are inherently serious enough, and should not be rendered worse by a one-sided outlook in diplomacy. Asia is at a curious phase of her awakening. Complexes there too are forming. The old exploitation or ascendancy policies are out of place in such a situation, and should be carefully avoided for the future. The past record of the West in the East is not one to be proud of or to be further copied. While mindful of our duty and our responsibility as trustees for the greatest civilisation that this earth has ever known, we should avoid the assumption of superiority. Not the mailed fist but the friendly helping hand should be in future the symbol of our association with Asia. We are facing the greatest, most intriguing, most testing human situation which has probably ever arisen in history. It may well be that Western civilisation will stand or fall in this matter of its contacts with the immense human masses of the East. Here let it put its best foot forward and show that it is a universal system, based on the broadest and highest human principles, and not merely a local system for the European peninsula. In this spirit I would say, even if the present negotiations for naval ratios fail, do not let us depart from an attitude of friendliness and large human good-will towards Japan. Good-will, good temper, friendship will solve the hardest problems of statesmanship yet. And they are specially called for as the ultimate instruments of policy in our dealings with Asia. If we cannot and should not be allies, we can at least be friends, and proceed to the unknown dangers of the future in a spirit of understanding and friendliness. The old Japanese alliance may have been, and in my opinion was, a mistake. A policy of friendliness and understanding can never be a mistake, and will keep or make friends without thereby making enemies.

Lastly, and subject to what I have just said, I wish to make another point which I consider no less important and vital. This is a difficult world, in which we have to walk warily, in which even good-will may not be enough, and in which we are called upon to exercise a wise discretion as an insurance for the future. In this spirit I would say that to me the future policy and association

of our great British Commonwealth lie more with the United States than with any other group in the world. If ever there comes a parting of the ways, if ever in the crises of the future we are called upon to make a choice, *that*, it seems to me, should be the company we should prefer to walk with and march with to the unknown future. On that path lie our past affiliations, our common moral outlook, our hopes and fears for the future of our common civilisation. Nobody can forecast the outcome of the stormy era of history on which we are probably entering. Our best insurance in this unknown territory is to be with those with whom we have an instinctive and historic sympathy.

The British Commonwealth has its feet in both worlds. Through Great Britain one foot is firmly planted on this old continent. Through the Dominions the other foot is as firmly planted in the outer newer world, where the United States already plays so great a part. The Dominions have even stronger affiliations towards the United States than Great Britain has. There is a community of outlook and perhaps of ultimate destiny between the Dominions and the United States, which in essence is only the first and most important of them. Through the Dominions British policy is ultimately tied up with the United States in a very profound sense, which goes much deeper than the occasional jars which perhaps are more acutely felt at any particular moment. That ultimate affinity, coming from the past, stretching to the future, is or must be the real foundation of all British foreign policy. Any policy which ignores it or runs counter to it is calculated to have a disruptive effect on the Commonwealth as a whole. Here we are on bedrock which we ignore at our peril.

While therefore our Far Eastern policy should, I submit, be based on friendship with all, and exclusive alliances or understandings with none, the ultimate objectives of that policy should continue to conform to that general American orientation which has distinguished it since our association with the United States in the Great War. In this way our policy will correspond to the actual general situation of our Commonwealth in the world of to-day—a situation which goes much deeper than and underlies all public policies, and on which alone it is possible to base stable and enduring policies for the future. Any other course would mean building our Commonwealth policy on quicksands, and placing the future of this group at the mercy of incalculable hazards.

In saying this I do not wish to import any note of exclusiveness in our policies or our world outlook. The day is surely gone for

the old exclusive outlooks of the past, and for the alliances and balances of power which were based on that outlook. In spite of all appearances to the contrary, we *have* in this respect made progress in the post-War period. The principle of universality on which the Covenant and the new world order are based is slowly making headway. More and more the recognition is winning through that there really is a society, and not merely a collection, of nations. The League of Nations in itself implies a society of nations. Not in our separateness and exclusiveness, not in mere nationalism, either political or economic, lies the way out of our present troubles, but in our steadily increasing sociality, in the interweaving of interests, view-points and ideas, in the open door and the removal of barriers and restrictions, in the dominance of large human principles transcending national boundaries, and in the recognition that in mankind we are members one of another. More and more we are recognising that, in spite of racial and political barriers, humanity is really a whole. It is in this steadily growing mutuality of our relations, in this ever-increasing wholeness of our human relationships that I see the only possible ultimate solution of our present discords. And the more we recognise this wholeness of mankind, this integral character of all our relationships, the surer our success will be in the great adventure of human government, and the brighter the prospects will be for that world of ordered liberty and peace which we are out to build. The driving force in this human world of ours should be, not morbid fears or sickly obsessions, but this inner urge towards wholesome integration and cooperation. The drive towards holism, which I have elsewhere pointed to as at the basis of nature and the creative process in this universe, is equally operative in our human society. Unless it is artificially interfered with and thwarted, it will lead us forward to sanity, wholeness and wholesomeness, and rid us of the pathological obsessions which are to-day producing so much friction and dislocation at every step of our advance.

Gentlemen, I thank you for the patience with which you have listened to me, even when you may not have agreed with some of my views. What I have said in all sincerity is simply meant as a plea for understanding by one who has no axe to grind and whose sphere of work lies far from the political battle-front in Europe. Ever since Versailles, where I entered my first protest, I have felt very deeply that the real peace was still to come, and that it would be a peace not merely of mechanical arrangements of the

territorial or economic kind, but something psychological, something in the nature of European reconciliation, something reaching down to and resting on our common human and Christian foundations. In that spirit I have once more pleaded for peace to-night. I hope that our statesmen will yet lead us to that peace before it is too late—that is to say, before new sinister forces have advanced and taken possession of the field and imperilled what centuries of European effort have accomplished for our human advance. I feel the hour for action has come or is rapidly coming, and we all pray that our leadership, for which we feel the profoundest sympathy, will not fail us in this crisis.

SIR ABE BAILEY: Lord Derby, Your Graces, my Lords and Gentlemen, I have a most pleasant duty to perform, and that is to propose a vote of thanks to my friend General Smuts for his magnificent speech—a speech which will make an excellent impression on his audience, which is the world.

His speech will no doubt raise controversy—we must not forget that with nations, as with individuals, there are the haves and have-nots—and it ought to be carefully studied by leaders of public opinion. When he speaks, we feel the spirit of the Voortrekker is with us. Through dark times, the spirit of the Voortrekker is always glowing, and it is this spirit which has made South Africa great, and will make it greater still.

Eighteen months ago the world was trembling, and we were passing through a period of difficulties and anxieties caused mainly through the "prize-giving" at Versailles, which at the time did not meet with General Smuts' approval.

Eighteen months ago we South Africans were quarrelling like a ship's crew in a storm, with the enemy at gunshot range. But then Generals Hertzog and Smuts came together, formed the National Government, and proved themselves to be the lightning-conductors to South Africa. These two statesmen cannot be corrupted by any manner of gift, and no two statesmen could have worked together with more loyal and powerful cooperation. Thanks to them, the foundations of prosperity are truly laid, and in South Africa all's more than well.

Of course, although the whales have now been killed around South Africa's shores, the Jonahs are still busy. General Smuts, one of our Dreadnoughts, is a most loyal lieutenant, and history will pay him high tribute for the self-effacement with which he subordinated himself for a great cause, namely, the welfare of South Africa. The first and foremost consideration of the National Government was security and safety for our native land and for our people, and other benefits do not count. Now that South Africa has a most national outlook she will fail to reap where she has sown unless the people stick together.

We realise that the British Empire's strength is our strength and

its prosperity is our prosperity. We realise in the British Empire the magic of freedom, and liberty, and the reign of law, and we realise that, unlike some other peoples, the peoples of the British Empire are not prisoners of the mind.

I will tell you a secret. I have arrived at a great age, for I was in the old Cape Parliament with General Smuts's father. I fancy I have been in public life as long as anybody alive. I served under General Smuts in Parliament as a humble musket-bearer. General Smuts and I have both experienced, but not always shared, the hardships, the toil, and the perils of the soldier.

There is a web of affection for South Africa which is weaved round my soul, though I have pursued the bubbles known in the world as success. My work is to do South Africa's will, and my will is to do South Africa's work. That is why I have so much pleasure in proposing the health of General Smuts, a world statesman who has given us a great oration to-night. I ask you all to drink to his health, and wish him a pleasant air-trip back to South Africa.

MAJOR-GENERAL SIR NEILL MALCOLM: My Lord Chairman, Your Graces, General Smuts, my Lords and Gentlemen: I rise to-night on behalf of the Council of the Royal Institute of International Affairs to thank you, Lord Derby, for presiding over our gathering this evening. With General Smuts' clarion call ringing in our ears, I am sure it will be the wish of everyone present that I should perform my task in the simplest possible terms.

You asked, Lord Derby, why you were invited to take the Chair this evening. The story is simple enough and perhaps I should tell it. At the time when those anxieties to which General Smuts has referred appeared to be hanging so heavy over Europe, when the Angel of Death seemed to be hovering above us so close that once more you "might almost hear the beating of his wings," it seemed appropriate that the Royal Institute of International Affairs should take advantage of General Smuts' presence in England to invite him to address a representative gathering—a gathering which would reflect all that is best in our national life. We were fortunate in being able to get General Smuts to agree to address us, and then it became obvious that we must get to preside over the gathering a Chairman of outstanding reputation, one who has played the great game of life in many places and always played it well, one who had represented his country in many capacities and always with dignity and success. When such a man was wanted it is not, I think, surprising that after due consideration the choice should have fallen on Lord Derby. His presence here to-night was the essential coping-stone of the edifice which we were trying to build and we were overjoyed when we heard that he was going to be good enough to accede to our request. In the name of the Council of the Royal Institute of International Affairs, and of everyone here present, I thank you for taking the Chair this evening.

(*The proceedings then terminated.*)

# KING ALEXANDER'S ASSASSINATION: ITS BACKGROUND AND EFFECTS [1]

By Dr. R. W. Seton-Watson

It was not without trepidation that I accepted the kind invitation to address you to-night on so delicate a subject—a subject which could no doubt be studied narrowly between blinkers, or which, if blinkers be discarded (and that is the method I shall attempt), will be seen to have ramifications in every direction and to affect every aspect of European policy.

I find that it is my third " full-dress " address on the Yugoslav problem to the Institute since the fateful establishment of the dictatorship in January 1929. Some may remember the previous croakings of the raven. They give me no pleasure. I ask your forbearance as I steer through a sea of sunken rocks, trying on the one hand to avoid what may perhaps seem too outspoken after the brief silence imposed by such a tragedy, and on the other hand refusing to limit myself to mere pious platitudes or to leave suppurating sores undressed.

What I have to say falls under several clearly defined headings :—I, The Man; II, the Dictator—his Policy at home and abroad; III, The Crime, (*a*) the immediate authorship, (*b*) the ulterior responsibilities; IV, The Regency and its Prospects.

## I. The Man

Here I shall be brief. King Alexander was emphatically not a tyrant in the ordinary sense, and it has always seemed to me an immense tragedy—one of those things above human comprehension—that the march of events and his own temperament should have combined to make of him a dictator. He was very courageous, though not ever a man of strong physique or robust health. He had fixity of purpose, great devotion to duty, powers of sustained work. He had great charm and simplicity of manner. He was accessible and very open to opinions—though he rarely acted on them, and though occasionally he reacted with positive violence, as in the case of the Slovene Žerjav who fainted in his presence.

[1] An address given at Chatham House on October 30th, 1934, Sir Edward Boyle, Bart., in the Chair.

On his ideal family life I need not dwell. We are in any case unanimous in our sympathy towards Queen Marie and the three little boys, one torn from his English " prep. school," and to Prince Paul with his peculiarly difficult inheritance.

There are perhaps three main facts which give the clue to his character.

First, he was a *national* king in a sense that no other sovereign of modern Europe can claim. He had not a drop of blood in his veins that was not Serbian. His great-grandfather was the heroic peasant leader of Serbian Independence, who dreamt of Balkan unity and was at one time a member of the Greek Hetairia, and whose headless trunk lies in the Church of Topola beside King Alexander's to-day (headless because his treacherous rival, Milosh Obrenovitch, sent his head as a peace offering to Sultan Mahmud in 1817).

Alexander was proud of this intimate contact with his people and rightly preferred the peasant to the politician; he knew how to strike chords that went to the peasant's heart like the twang of the one-stringed gusla. In that sense he was even more democratic than his father Peter, who chose Geneva as his place of exile and translated Stuart Mill *On Liberty*. But Alexander had other blood, still more purely Serb, but of very different quality. He was the grandson of King Nicholas of Montenegro, and from him and a long line of clan chieftains and bonny fighters he inherited an autocratic strain and a firm belief in personal rule.

Secondly, this predisposition was confirmed by his upbringing in St. Petersburg in the " Corps des Pages." He acquired there the wider Slav outlook and feelings of loyalty and gratitude towards Russia which never left him. But he was strengthened in an anti-democratic sense, and excusably enough this was heightened by the events of the Russian Revolution, the murder of his brother-in-law, the fate of his two aunts, the tragedy of the Tsar who had " only done his Slav duty " towards Serbia.[1] All this left a permanent mark upon him. His welcome to many Russian exiles, civil, military and ecclesiastical, came from the heart and did him high honour. But it must be added that the Russian exiles were not a good influence politically in these years, or indeed in the evolution of the Serbian Orthodox Church.

Thirdly, though he looked like a scholar, he was above all a

[1] The words of Nicholas II to the then Prince Alexander and Nicholas Pashitch when they went to St. Petersburg in February 1914 to thank him for Russia's help in the two Balkan wars.

soldier, far more in uniform than out of it, far more at his ea: with soldiers than with others: and he inevitably acquired certain bias in favour of authority rather than debate. He spe six of the most formative years of his life in camps; and althoug he won the world's admiration by his gallant and steadfa character in the field, he also acquired a military outlook whic unfitted him to deal with delicate problems of constitution government and made compromise hard for him.

When I spoke here in January 1929, I still read him as believer in democracy, driven reluctantly into other paths. M last talk with him, and still more a long series of confidenti talks with men who had had decisive dealings with him in thos years, forced me to modify my views and to accept the view th his fateful decision, so far from having been taken reluctantly " against the grain," was due to a long-ripening belief in person government as the true political solution.

## II. The Dictator

If I dwell only shortly on this section it is because I dea very fully with the evolution of Yugoslavia before and und the dictatorship in my addresses of the 29th January, 1929 and 3rd December, 1931,[2] and because, having re-read ve carefully what I then said, I still find very little to retract. F what it is worth, my reading of events can be found in the Journ and in a full article entitled " The Background of the Yugosla Dictatorship," in *The Slavonic Review* for December 1931.

I naturally do not wish to intrude my own person, but I ma perhaps be allowed to remind you that though I have bee criticised latterly by apologists of tyranny as a hidebound sent mentalist believer in defunct principles of liberty, I can in realit claim to have been more outspoken than any other Wester friend of Yugoslavia in my criticism of the pre-dictatorial régim from 1919 to 1929, and that, before I condemned the new régim I spent two months in Yugoslavia in 1929, discussing the situatio with scores of men of every province, class and opinion, from th King and General Zhivkovitch downwards. Let me then appl a maximum of compression to these former estimates and prese the general argument under a few brief heads.

1. The troubles of the Yugoslav situation, culminating i the Skupshtina murders of June 1928, the royal *coup d'état*

[1] " Jugoslavia and Croatia," in *International Affairs*, March 1929, pp. 117–13

[2] " The Yugoslav Dictatorship," in *International Affairs*, January 193 pp. 22–39.

January 1929 and the assassination of October 1934, are not a proof, as some people have imagined, that Yugoslavia is an artificial structure. On the contrary, Yugoslav unity was the result of a process as spontaneous as those which united Italy and Germany last century (and here at once let me add the realistic comment, that this is clearly understood by Hitler, Göring and Rosenberg, but radically misunderstood by Mussolini). Yugoslavia came into existence in 1918 through the will and efforts of the Yugoslavs themselves. The War and Allied victory, of course, provided the occasion (the "Weltkonjunktur"); but in every other sense the Allies misunderstood and bungled the Yugoslav question and put spokes in the wheel of Yugoslav unity, from the Secret Treaty of London in 1915 till the withholding of recognition in 1919.

2. The real trouble resulted from the manner in which the new Constitution came into being, on extreme centralist lines, and the country was rushed into it by the dangers of the foreign situation.

3. For this result all sections were to blame—not only the so-called "Pan-Serb" clique in Belgrade, but also Raditch, the Croat peasant leader, a pure idealist, a man of genius, but incalculable as a weathercock, and also Pribitchevitch, once a super-centralist, but afterwards Raditch's ally, then the victim of the dictatorship and now unjustly detained by the Paris police in connection with a crime which he and all his friends repudiate.[1] Men of eminence from every section, class, religion and province held office and shared responsibility. If ever there was a collective responsibility, here is one—between Serbs, Croats and Slovenes, between men of Bosnia, Dalmatia, Macedonia and the Banat.

4. The Skupshtina murders of 1928 were the unloading of an electric atmosphere. Widely regarded (though in my opinion wrongly) as the bankruptcy of the parliamentary and constitutional régime, it is quite true that they transformed a long and acute parliamentary crisis into a veritable *crisis of the State*. But I feel bound to add that if this was due in large measure to lack of statesmanship among those then in power, it was also due to the persistence with which the King relied upon the less independent and more subservient politicians, and kept at arm's length men of character and independence who might still have saved the situation.

5. The dictatorship which followed was *not* the only alterna-

[1] After an interval he was of course completely exculpated and released.

tive open. To my mind a King who finds himself in the *cul-de-sac* of having to break his oath should abdicate and go.

The *coup d'état* suffered for lack of plan. The King's courage in taking the entire responsibility on his own shoulders—some would say courage to the point of foolhardiness—was in any case greater than his powers of constructive political thinking: and he took as his chief helper a general without political ideas and with a somewhat sinister past. His public pledge at the very outset, " to give the country later on a real parliamentarianism and real democracy, by means of a real franchise," could not be, and was not, fulfilled. Within a year all pretence of the dictatorship being a temporary measure (as he had said to the French journalist, M. Sauerwein) was abandoned.

The name of Yugoslavia was imposed by decree in October 1929. The historic provinces were cut up in favour of nine quite arbitrary units. A Royal Proclamation of July 1930 declared the old provinces and parties to be abolished for ever. In September 1931 a new Constitution was promulgated which shut the door to any return, and gave the Crown far wider powers than any Sovereign in Europe possesses. It established a Senate which was a mere nominee and creature of the Crown, and a lower chamber elected on a perfectly farcical franchise, under which the old political party system was definitely made illegal.

Two of the most conspicuous features of this régime are:

1. The absolute suppression of all press liberty, the newspapers being at the mercy of the Government.
2. The far-reaching powers assigned to the police and to a special tribunal for offences against the State, and the deliberate undermining of judicial independence by the State.

Foreign criticism has generally centred upon the undoubted fact that 90 per cent. of the Croats (and indeed of the Serbs of Croatia and Voivodina also) are opposed to the centralism upheld from Belgrade. It too often overlooks the very widespread discontent in Serbia proper, which sees the democratic liberties so painfully built up since 1804 sacrificed in the name of a unity which has not the same obvious advantages. There are two parallel and equally vital problems: the national problem—how to assure equality and self-government to Croatia and Macedonia no less than Slovenia or Bosnia or Serbia; and the political problem—how to assure free institutions and representative government to all: and, of course, superimposed on this, there is the economic problem, due very largely to the world crisis.

It must be made absolutely clear that between 1929 and

1934 King Alexander had in no way solved either of these problems. He had merely established a Police régime, and having the support of the army, he rigorously excluded men of outspoken or independent character and relied upon time-servers, courtiers or *arrivistes*, or men whose outlook on government was definitely reactionary or authoritative. I do not for a moment suggest that no men of distinction or character worked with him; that would be quite untrue. But they had to be the King's servants, they were utterly insecure in tenure, and they were constantly confronted by decisions on major problems on which they had never been consulted.

By the winter of 1932–1933 the barrenness of the régime was obvious, and the so-called Zagreb Manifesto of November 1932 voiced the growing trend of public opinion to assert itself, to achieve a *détente* between Belgrade and Zagreb, and to extract from the Crown a return to constitutional government.

What saved King Alexander last year and led to a collapse of the Opposition movement was the momentous change in Europe —the advent of Hitler to power, the set-back to the authority of the League, the crisis in Austria, Mussolini's open hostility to Yugoslavia, and his support on the one hand of Hungarian Revisionism and on the other of Croat separatism. Between then and his death King Alexander had done nothing to reconcile the Croats. There was a long series of unpunished outrages in which the police were involved—the murders of Shufflay and Predavets, the attempts on Budak and Pribitchevitch, the torture of prisoners like Dragutin Toth, Fräulein Reiter or Colonel Begitch, the illegal internments of well-known leaders, the sentence on Dr. Matchek, Raditch's successor as the Croat Peasant leader, the defiance of the evidence, and the vindictive refusal to release him though his life was in danger. All this kept Croatia solid against the King's régime. Of the outrages in Macedonia under the Lazitch régime I will not speak.

But at the same time a community of interest in the sphere of foreign affairs began to emerge; and by 1934 it is not too much to say that Yugoslavia from one end to the other was in agreement with the foreign policy of the King and the growing initiative which he displayed. In a few words, this policy consisted in maintaining and extending the Little Entente on economic as well as political lines, and at the same time constructing a new Balkan League, which should end the intrigues and interference of the Great Powers and make a reality of the phrase, "The Balkans for the Balkan peoples." This aim was to be pursued

in loyal accord with France, to whom King Alexander felt bound: but it was not allowed to exclude the improvement of relations with Germany, even before it became obvious that Germany and Yugoslavia might at any moment find common interests in the Austrian question.

Where the King differed from his Allies was in his reserve towards Soviet Russia, and he warned MM. Barthou and Titulescu against undue enthusiasm or reliance in that quarter. But even this was more a matter of emphasis and proportion than of principle. He had come to recognise the necessity of a *modus vivendi* with Moscow in the interests of peace. Where his initiative was most beneficial was in restoring friendship between Yugoslavia and Bulgaria, and this on a popular, not merely on a dynastic basis.[1] [And here it is to be noted in passing that whereas Rome has for years past done all in its power to maintain and promote friction between Belgrade and Sofia, as between Belgrade and Tirana, Berlin under Hitler has frankly recognised the desirability of a Bulgaro-Yugoslav accord, as a natural stage towards the final understanding between the four free Southern Slav peoples.]

So long as the Balkan Pact only comprised Yugoslavia, Roumania, Greece and Turkey, its imperfections were obvious. It was King Alexander more than anyone else who set himself to allay Bulgarian susceptibilities, who realised that Sofia could not be asked for specific renunciations, and who by his successful visit to Sofia just a fortnight before his death gave a warm and fruitful impulse to the discussions between the two Governments.

It would be idle to suggest that this triple web of alliances had no *arrière pensées*. Behind it there was always the fear of Italy—of her possible ambitions on the Eastern Adriatic (as instanced by the attitude of her inspired press towards Dalmatia, that essentially Croat province); of her policy of penetration in Albania (where it must be freely admitted that the Yugoslavs themselves have not a clean political record); of her policy of extermination directed against the 350,000 Croats and Slovenes of Istria and Venezia Giulia; of encouragement given by her to any form of Croat separatism and, above all, of her support to Hungarian Revisionism and, as part of this programme, to the splitting of Yugoslav unity and the reunion of Croatia with Hungary. This may seem to some too highly coloured a picture. In reality it could be greatly strengthened by quotations from

[1] That he was a first cousin of Queen Giovanna contributed little or nothing.

Signor Mussolini himself and from such leading pressmen as Gayda and Moreale.

The net result is that all save a few fanatics had come to recognise—without giving up their opposition to the Police régime, to centralism, or to exaggerated Serb tendencies—that in foreign policy King Alexander stood for their most vital interests; that Croatia could not stand alone, much less the Slovenes, who would be swallowed by Austria or Italy. And it should be remembered in passing, that the Croats and Slovenes had never had any quarrel with the Bulgars, and therefore welcomed with joy the attempts to reconcile Serbia and Bulgaria.

Before leaving this section I want to make it quite clear that so far from regarding Italy and Yugoslavia as necessary enemies or desiring an Adriatic conflict, I am firmly convinced (on the basis of practical experience, during and after the War, of fruitful and cordial Italo-Yugoslav cooperation) that the two nations could be intimate on a cultural basis, could drive a roaring trade with each other and need in no way clash. But, of course, not on the basis on which Mussolini conducts policy—namely, a world devoted to militarist ideals, and the principle of " divide et impera " applied by a Neo-Roman State in Illyria and Pannonia.

### III. The Crime

I have tried to give you the Man and the *milieu*; it is now necessary to consider the crime itself, the assassins and their motives, and the delicate question of whether they had outside support for their designs.

The position as regards the actual criminals is no longer in doubt. It has been established beyond any doubt that the assassin was a Macedonian named Georgiev (alias Kelemen), who belonged to the Imro (the Macedonian revolutionary organisation), and was one of Mihailov's staunchest henchmen. This man murdered the Bulgarian politician and journalist, Dimov, on the streets of Sofia in 1926: he escaped, committed a second political murder in 1931, was caught and imprisoned, but then amnestied and in 1932 went to Hungary, where he became one of the links between the Macedonian and Croat revolutionaries.[1] Latterly he was, next to Mihailov, the man most " wanted " by

[1] Since this address was delivered, it has been denied in Budapest that Georgiev went from Bulgaria to Hungary; but as this statement rests upon information supplied by the Chief of Police in Sofia to the Yugoslav Government, and quoted by the latter in its *Note Verbale* of October 16th, I see no reason to withdraw what I said.

the Bulgarian police in their "clean-up" of terrorism. In other words, a human tiger of entirely reckless and ruthless character, to whom King Alexander personified the oppression of his Macedonian kinsmen, in exactly the same way as Francis Ferdinand personified an alien and oppressive rule to the young Bosnian fanatics Gavrilo Printsip and his twenty-two colleagues.

It has become a truism that no police in the world can provide absolute guarantees against a fanatic who is ready to risk being torn to pieces by the mob or submitted to third degree methods; and unhappily in this case the police showed an inefficiency beyond all description—far greater even than the Bosnian police in June 1914. I have not myself seen the unexpurgated films, but friends of mine who did so were struck cold with horror at the evidence which it provided; and I am told that an acrimonious quarrel between the Sûreté Générale and the local Marseilles police is still raging. Apart from Georgiev, the expert trainer in terrorism, all the other conspirators would seem to be Croats belonging to a small group of *émigrés* whose activities during the last few years have ranged over a very wide field—in Italy, Hungary, Austria and Germany.

Now it is necessary from the outset to distinguish very carefully between the three sets of Croat *émigrés*, all the more so as there are signs that foreign police investigators are tempted to lump them together. First and much the most important are the representatives of the Croat Peasant Party (the party of the murdered Raditch). Dr. Koshutitch, Raditch's son-in-law, lives in Vienna and lectured to this Institute some two years ago.[1] Dr. Krnyevitch, his colleague, lives at Geneva and has issued at very irregular intervals a paper called *Croatia* in a combination of English, French and German. A third and more prominent colleague, Svetozar Pribitchevitch, one of the founders of the Yugoslav State on centralist lines, but latterly the ally of Raditch and a strong critic of the Royal régime in his book *La Dictature du Roi Alexandre*,[2] lives in Paris. This group is strongly democratic and federalist, and is beyond all question opposed to terrorist methods.

The second and much smaller group consists mainly of Croat ex-officers of the Austro-Hungarian army, led by Marshal Sarkotitch, a former Governor of Bosnia, now an old man. These men are strongly Catholic, legitimist and Habsburg in sentiment

[1] On November 14th, 1932. See "The Croatian Problem" in *International Affairs*, January 1933, pp. 79–106.

[2] 1933. Paris: Bossuet. 324 pp. 30 *frs.*

and dream of a Habsburg restoration, which would bring Croatia and Slovenia into some kind of federal connection with Austria and leave Serbia as a mainly Orthodox State. In other words, frank reactionaries who would like to put the clock back, but in the nature of things not men who could fit murder and terrorism in with their principles.[1]

Thirdly, there is the frankly terrorist group, led by Dr. Ante Pavelitch, Gustav Pertchets and a few younger men. Pavelitch was a deputy in the Skupshtina, having belonged to the pre-War Party of Pure Right (an extreme clerical and anti-Serb group sometimes called the "Frank Party," after its former leader the Croat Jew, Dr. Josep Frank). Pertchets was a member of the Zagreb Town Council, worked with Raditch, but went much farther than he, and after the Skupshtina murders in 1928 advocated an open breach with Belgrade. In 1929 on the proclamation of the dictatorship both men fled to Bulgaria and allied themselves with the Macedonian Revolutionary Organisation, then perhaps at its very strongest. In July the death sentence was passed on them *in absentia*, because of (i) their cooperation with the Macedonians and (ii) their programme for the separation of Croatia and Macedonia from the Yugoslav State. For five years they have lived abroad, mainly in Hungary and Italy. From 1932 Bulgaria was closed to them, as Macedonian blood feuds and murderous methods grew intolerable,[2] and as feeling in favour of conciliation with Yugoslavia slowly gained ground.

These men have lived between Rome, Padua, Pesaro, Fiume, Vienna, Munich and Berlin. In Ancona, Brescia, Borgotaro (in the Apennines between Spezia and Parma) they have had small training centres for military and terrorist action. How this could have been unknown to the authorities in countries where every political activity is closely watched and controlled, altogether passes my understanding. In most cases the Croats were instructed by Macedonians and others.

Exactly what funds the terrorists disposed of is not yet known. They are unquestionably supported by subscriptions of Croatian and Bulgarian emigrants in the United States and, to a lesser extent, in South America. But in the impoverished state

[1] It is necessary to add that since my address one of this group, Colonel Pertchevitch, who was responsible for issuing the Croat news-sheet *Grič* at Vienna, has been arrested by the Austrian police, and it is claimed that the investigation into the crime provides proof of his being implicated. On this point it is still necessary to reserve judgment.

[2] In the spring of 1934 the Georgiev Government got Mihailov on the run and he is now in Turkey under political supervision.

of those once flourishing colonies that would hardly suffice to maintain such widespread terrorist activities.

In the autumn of 1932 their organisation smuggled foreign arms into Dalmatia and induced a certain number of youths to form a rebel corps known as "Ustashi," on the lines of the "Green Cadres" at the end of the War. They were soon suppressed, and all through 1933 there were a series of "Ustashi" trials at Belgrade, ending in draconic sentences upon Pavelitch's unhappy dupes. Early in 1933 a portion of the weapons smuggled from Italy to Hungary in the so-called "Hirtenberg Affair" are believed to have been made over to the Ustashi. Finally, and most important of all, since 1931 (or 1932 at the very latest) they rented a farm a few miles inside the Hungarian frontier known as Janka Puszta, and here thirty to forty young Croats at a time were trained in terrorist methods, the handling of bombs, etc., by Macedonian bandits such as Georgiev "Tsrnozemski" and by ex-officers whose origin was more Western.

In the early summer of 1933 Pavelitch began to publish at Nowa Wes, near Berlin, two papers called *Nezavisna Hrvatska Država* (The Independent Croat State) in Croat, and *Croatia Presse* in German. In December they were transferred to Zoppot in the Free State of Danzig, as the result of representations made by the Yugoslav Government to the German Government. Since May 1934 they had appeared in a new form, allegedly printed in Zagreb, but really in Budapest, and were posted (to my address among others) with a Hungarian stamp and postmark. Finally, *Croatia Presse* moved to Geneva, as a rival concern to the non-terrorist group of Croats and Macedonians there, with their trilingual paper *Croatia*.

This group, led by Pavelitch, his lieutenant Kvaternik, now under arrest with him in Turin, and Gustav Pertchets, the real impresario, who is still in hiding, organised a whole series of bomb outrages on Yugoslav territory. It must suffice to quote a few of the more important—March 3rd, 1931, explosion at the Belgrade War Office; April 1931, explosions at Nish and Zagreb; August 1931, explosion in the Paris Express at Zemun, opposite Belgrade; September 30th, 1932, bomb explosions in the Military Casino at Belgrade, and at Nish; August 1933, attempt on the Croat judge Bubany—justly infamous for his sentence on Dr. Matchek; the murder of the Croat ex-Minister Neudorfer in reply to the murder of Predavets; January 1934, the Brezitsa railway outrage, during the King's visit to Zagreb; August 1934, bombs in Zagreb during the Sokol Congress.

Is it to be wondered at that during 1932 and 1933 the control of the Yugoslav-Hungarian frontier grew increasingly severe and that a number of deplorable incidents occurred, such as the shooting of a young Magyar peasant while bathing? Behind the mutual recriminations was the solid fact of the farm of Janka Puszta. Last spring the Hungarian Government was ill-advised enough to bring before the League of Nations a formal complaint against Yugoslavia for its frontier restrictions. The case was argued by MM. Tibor Eckhart and Fotitch, and the latter in his Note of June 4th explained the action of his Government by the existence of Janka Puszta and the asylum accorded by Hungary to the terrorists. On June 5th, before the Council, he said that Yugoslavia had for two years made representations but without effect, the answer of Hungary always being that they "did not even know of the existence of this farm." The frontier system, he pointed out, had given no cause for serious complaints until the end of 1931. The first incidents occurred in 1932 and coincided with the opening of Janka Puszta, whose inmates "enjoyed not only the benevolent tolerance, but also the active collaboration of the Hungarian authorities." In 1932 there were 464 and in 1933 402 cases of smuggling arms: in 42 of these cases the Yugoslav guards fired. On April 26th Hungary had admitted that some of its agents had had to do with the Janka Puszta group, but claimed that they were "*merely dupes of the different malefactors in question, which is not surprising, having regard to the well-known nefarious practices of the latter.*" [1]

M. Eckhart was content to reply that Fotitch's speech was not very helpful for a solution of the problem on the agenda, with which the question of Yugoslav refugees had no connection whatsoever. Would he dare to repeat that to-day at Geneva?

It is a fact that Janka Puszta has been closed for the last four months, but it appears to be certain that the individuals arrested for complicity in the murder all came from there. A certain emphasis has been laid on the fact that Hungary last February sentenced one of her own subjects, a certain Premets, to fifteen years' imprisonment for his share in the bomb outrage at Koprivnitsa in Croatia in August 1933. Yugoslavia on her side maintains that he was really a Yugoslav and was wrongfully given a Hungarian passport. But in any case the other man, an undoubted Yugoslav, who was wanted as his accom-

[1] *League of Nations Publications*, *VII. Political*, June 15th, 1932—Hungarian *Note Verbale* of April 26th, 1932.

plice in the same outrage, was never found, and now turns out to be Georgiev's chief accomplice Mijo Kralj, who is at present in a French prison.[1] It appears also to be a fact, according to very sure information, that two out of the four Italian centres were still in existence as late as Monday of last week—(*i.e.* October 22nd, thirteen days after the murder).

Some of my audience may still be inclined to feel that political asylum to men like Pavelitch was no worse than the asylum granted in France or Britain to other political refugees, and that tolerance of their activities is not to be assumed. It is for their benefit that I wish to give some quotations from Pavelitch's paper. Last March in *Ustasha* Pavelitch himself apostrophised Lazitch, the Minister of the Interior—" We hasten to the fray, despising danger and death, in order to crush your impudent head which drinks the blood of Croat children." On February 16th in *Nezavisna Hrvatska Država* (No. 17) a scurrilous article appeared on Perovitch (now third Regent) as the Ban of Zagreb, ending " Docet Neudorfer." In other words, murder him as the renegade Neudorfer was murdered six months earlier ! In No. 14, in January last, the King's visit to Zagreb was greeted with the headlines, " *Croat fighters wait for Alexander with revolvers*," and " How to receive unwelcome guests." In No. 16 an article entitled " Prst Božje " (Finger of God) contained the phrase, " People simply fly from all that is Alexander's, as from all that is Satanic and hellish." On March 14th there appeared a report of the trial, already referred to, of Premets before a Hungarian court, for an attempt on the life of the Croat judge Bubany. When asked " Did you not have the feeling that this would cause blood to flow? ", Premets replied, " An Ustasha must not have feelings, *his sole duty* is to carry out orders." On May 30th the paper contained an article glorifying Oreb and Begovitch, who killed the detectives who caught them red-handed while plotting the murder of the King at Zagreb last winter.

On June 16th in a signed article Pavelitch himself wrote, " The struggle will be hard, pitiless, terrible, bloody—a struggle for life and death, by all methods, to shake off alien force."

In the last number on October 1st there was an attack on Raditch's ideal of " the humanitarian Peasant State " (*mirotvorka seljačka država*), a column of denunciation of pacifism as

[1] Hungary informed Yugoslavia that Kralj had been in Hungary only between the months of February and April 1933, but in a later Note of Nov. 21st, 1934, they admitted that he had been at Janka Puszta from February to July 1933 and had then disappeared. He himself, when examined by the French police, stated that he and his accomplices did not leave Nagykanizsa till the end of September 1934.

cowardice, and of insistence upon the methods of the *Ustasha* as the only true policy.

There is nothing in the least obscure in these and similar extracts.

I have dwelt on these details in order to dispense myself from the necessity of dealing with the question of the *moral* responsibility for the crime. To me it is incredible, and I believe that to most of my audience it will be equally incredible, that all these activities, by pen and by bomb, should have been entirely unknown to the authorities of the respective countries, where the political police possess extraordinary powers and every movement of foreign suspects is closely controlled.

As to the actual facts of the final plot I shall say little; they are still *sub judice*, and much is still withheld, but we do already know that the terrorists had a considerable organisation in several countries and had enough money to travel, to pay subordinates and to purchase explosives;[1] that besides the two assassins at Marseilles there were others waiting for the King in Paris; that four more came to London to murder him if he went to visit his little boy at school in Surrey, and that two of these have been handed over to the French police and two are still wanted by Scotland Yard. We know that all these men had all the money they needed (not like Printsip, who had 10*d*. in the world after his last cup of coffee on the morning of the Sarajevo murder); that, in addition, they had at their command an elaborate office for the forging of passports, which seems to have been in the same country as the recent organisation for the wholesale forgery of French francs; that the forgers dealt mainly in Hungarian and Czechoslovak documents and used bogus Czech names (for instance, Benesh and Novak), and that when the Prague Government checked off the numbers of the documents and published the detailed facts in the press (and in particular the proofs regarding the genuine passport of a Czechoslovak schoolmistress living in Budapest, bearing the same number as the murderer's forged passport), the Hungarian press, and especially the semi-official *Pester Lloyd*, launched a violent campaign against Czechoslovakia and tried to convince its readers that the gang had operated with Czechoslovak passports and that Prague was shoving the blame on to Hungary. (The men arrested at Annemasse spoke of exchanging genuine

[1] An alternative explanation would be that these explosives and weapons were supplied to them by persons sufficiently highly placed to have such things at their disposal.

Hungarian passports for forged Czechoslovak passports at Lausanne. This, of course, still remains to be proved, and there is no evidence as to the nationality or exact whereabouts of the forgers.)[1]

That is enough for the moment. We can wait for the full facts, for there exists the full determination in more than one official quarter to bring them to the light of Heaven. It is only a question of how long it takes to sift the already overwhelming evidence and to supplement it in certain directions. The most delicate problem is that presented by the extradition of Dr. Pavelitch, who is already known to be the head of the whole gang, but who probably knows too much to be handed over.

There are three further points which seem to me to need saying at this time. I know they may cause great offence in some quarters, but I should be a coward if I did not say them.

1. As one who has tried to write the full story of Sarajevo and who has defended, and still defends, the Serbian Government against the charges unjustly levelled against it, I am bound to say that to-day the Government of Belgrade is in a weak position to press very strongly for inquiries beyond its territory (though, of course, the French Government is on unassailable ground). In the critical period of July 1914 it did nothing whatsoever to elicit the full facts and thereby made it easier for the Austrians to present their ultimatum.

In 1925, when the controversy took a new form owing to the so-called revelations of Lyuba Yovanovitch (which were translated and published by this Institute at the time),[2] it again did nothing to elucidate the facts. In 1929 during my last conversation with King Alexander I appealed to him and urged how much the Yugoslav cause was then suffering from the failure to clear up these facts, and he promised that it should be done. In actual fact, a Blue Book has been prepared, but it has never been released for publication and is not likely to be now. Indeed,

[1] Since this address the Yugoslav Government has addressed a memorandum to the League of Nations, Section 5 of which enumerates ten concrete cases of other Croat terrorists possessed of *authentic* Hungarian passports. It reproduces photographs of three of these, belonging to Dr. Yelitch (Pavelitch's organiser in South America), Peritch (his link with the Croat miners in Belgium) and Artukovitch (the man expelled from England and arrested in France). The latter also had a Hungarian passport in the name of Arnault, which was seized by the Austrian police early this year.

[2] "The Murder of Sarajevo," translation of an article entitled "After Vidov Dan, 1914," in *Journal of the British Institute of International Affairs*, March 1925, pp. 57–69.

one of those most responsible for refusing publication has been the present Premier, Mr. Uzunovitch.

2. While the truth has been suppressed (and, from facts known confidentially to me, the truth includes documents which show the readiness of the Serbian Government to provide Vienna with information as to its own subjects living in Serbia) there is the still more awkward fact, that in all-too-wide Yugoslav circles (not, of course, by any means everywhere, and never officially) there has been a glorification of Gavrilo Printsip as a national hero and his deed of murder as a patriotic deed and, moreover, one which succeeded. He and his associates have been buried in graves of honour by the Municipality of Sarajevo, Sokol branches have been named after him, the Orthodox Metropolitan of Sarajevo has attended a service in his honour, and a tablet to him has been erected at the scene of the crime, while the monument erected to the Archduke and his wife has been removed.

King Alexander never associated himself with this cult, but neither he nor his Governments ever put their foot down. I have more than once put it to my Yugoslav friends, and I repeat it now, that this attitude to the crime of 1914 was a direct incitement to similar crimes for similar objects : and it must be added that Georgiev as a Macedonian had more excuse than Printsip as a Bosnian. The Archduke was working for a form of Yugoslav unity which may or may not have been workable or desirable, but which would have superseded an admittedly rotten but not absolutely oppressive Austro-Hungarian régime in Bosnia. The King had suppressed altogether the liberties of the united race, and forbidden the very name of Bulgarian in Macedonia. To me from the first day in 1914 Printsip has been a bloody murderer, though it is possible to feel pity for a poor consumptive youth of eighteen; and to-day Georgiev is to me a ruthless human tiger. But this cannot alter the fact that the historian of the future will probably class them in the same category, as national fanatics to the *n*th degree. That is a hard fact which my Yugoslav friends had better face squarely.

3. It remains for me to redress the balance and to plead with you not to regard Yugoslavia as peculiarly a country of political crime. Until the coming of Kimon Georgiev there have been, despite the facts mentioned in my initial survey, far, far fewer political murders in Yugoslavia than next door in Bulgaria. The number of political internments under the dictatorship has been quite trifling compared with those of Fascist Italy. The

" pacification " of Macedonia has certainly not been more ruthless than that of Eastern Galicia by Poland. (Of the wholesale murdering and extermination under the Soviet régime I will not speak at all.) And finally, in the light of what has happened in Germany, it seems to me that to talk in superior tones of the *" Balkanisation " of Europe is to-day either impudence or hypocrisy. All the troubles of the Balkans for a century past were due to foreign interference, especially from the Great Powers. Now the Balkan countries are really getting together and are not danger to peace. The danger comes again from foreign intrigue* nd the encouragement and even financing from outside of evolution, terrorism and unrest. Five years ago Miss Durham aid here that " The Croat had the European point of view and ot the Byzantine," and that the Serbs had been floated to power n a wave of blood. And now Croatia and Macedonia compete ith Austria and Hungary, and Germany and Italy in terrorist nd gunman methods. To-day Röhm and Göring and Hitler ay compliments to Yugoslav heroism. The wheel has come ull circle.

These intrigues—many of the details which I have given o-night, and there are many more—have long been common nowledge throughout the length and breadth of Yugoslavia, nd it is known to have been the deliberate policy of Italy and Iungary to destroy Yugoslav unity. Can we expect reason or onciliation in such circumstances?

4. It is necessary for me to add that these sinister plottings re the real background of hard fact, which lies behind the evisionist agitation of the last year or two. Well-meaning ttempts have been made to kindle sympathy for a programme f disruption which was only attainable by war and revolt, and ll the time much of what I have quoted was known to be going n. Our press (as a rule with the most praiseworthy intentions) uppressed or avoided the facts; those who hinted at them were egarded as hopelessly prejudiced or even as warmongers. Mar-eilles has made plain speech necessary. Moreover, Marseilles nd what lurks behind it has not only killed revisionism, but has nade reasonable and necessary concessions infinitely more lifficult.

## IV. The Regency and its Prospects

If my analysis is anything like correct, it follows logically hat a régime in which everything converged towards one strong nan who refused to delegate authority or responsibility, must

assume a very different character when once the strong man is removed. One might almost argue—" Plus c'est la même chose, plus ça change."

Who then are the new rulers? A triple Regency has a bad precedent next door in Roumania, 1928–1931, but it has several quite successful precedents in pre-War Serbia, during the minorities of Prince Milan, in the late 1860's, and of King Alexander Obrenovitch in the early 1890's.

The three Regents are Prince Paul, Professor Stankovitch and Dr. Perovitch.

In passing I would remind you of the peculiar status of the Yugoslav Royal Family. When Peter I became king in 1903, he was elected by Parliament and the succession was secured to his children, but not to the collaterals of the Karageorgevitch family, and so if an earthquake had suddenly removed them all, his brother Prince Arsen would not automatically have succeeded to the throne. A new election would have been necessary, and the same would now be true if Peter II and his two brothers suddenly died.

Prince Paul has never played any political rôle. He was not even given command of a regiment by his cousin during the War. He spent some years at Oxford, is strongly Anglophil, has many contacts in England and has a Russian mother with Italian connections. He has strong artistic tastes and a good collection of pictures. When he married a Greek Princess he wanted to settle at Zagreb, but rumour says that this was frowned upon. In short, politically he is a slate with nothing written upon it. He was always on terms of personal friendship with the King, but while always correct and loyal, was credited with possessing somewhat less illiberal views and with not being blind to the weak spots in the régime. He may be expected to be a moderating influence.

Dr. Stankovitch is a medical man of distinction, a Serb from the Banat, trained at Budapest University and therefore speaking Magyar like a native. He is a Professor at Belgrade University, was consulted by the King and was then called in for political diagnosis also. Rumour credits him with knowing the backstairs of the Palace better than the front. He has views and a will of his own: last winter he disagreed with his colleagues and resigned the Ministry of Education.

Dr. Perovitch is a Dalmatian Croat, who has held high administrative office in Dalmatia and Slovenia, and has latterly been Ban of the Save District (*i.e.* Croatia). He is believed to have

used his influence in favour of moderation on more than one occasion, but it is also alleged that his advice was generally disregarded when he did so.

When the names of the Regents became known, blank amazement was the general feeling. Prince Paul alone had been expected. Perhaps the most practical way of conveying this amazement is to attempt to transmute, as it were, the Regency values into English currency: and hence in an article contributed to the *Observer* I ventured to compare them with Prince Arthur of Connaught, Lord Horder, and the Sheriff of Midlothian—a cadet of the Royal House, a specialist of distinction, and an official of high standing.[1] I hope it will be clear that no disrespect whatsoever is intended in either direction. I simply wish to bring home to you the fact that the three Regents have nothing that can be described as a political past, and that it is consequently impossible to foretell how they will react, either severally or collectively. A vacuum has been created, and three new ingredients have now been poured into that vacuum: will they dry up, or will they ferment? We simply do not know. All we know is that the three Regents cannot hope to enjoy the same prestige either at home or abroad, or to present the same unity of action, as a King who had a better right than any other reigning sovereign of the day to say, *L'État c'est moi.*

Their first main asset was the extraordinary outburst of grief and indignation which took place in Yugoslavia, and which found all the wider and more dramatic expression owing to the fact that the body of the murdered King had to pass over so long a route—through Dalmatia, Croatia and Slavonia—before it reached its last resting-place at Topola. At the risk of again appearing unduly critical, I feel bound to warn you against drawing undue conclusions from this. It is very far from meaning that the country identified itself with the late King's methods or with the dictatorship as such. It is not dynastic feeling in any real sense of the term. In my belief it means two things:

(1) Every Yugoslav felt the murder as a personal insult, because Alexander, whatever his faults, was Yugoslav, or Serbian, to the last drop of blood; it was their national King who had been struck down.

(2) It was felt by his critics no less than his admirers that "an enemy hath done this thing," and that it was aimed at the very existence of the Yugoslav State by the instruments of some

[1] Of course the analogy is not quite exact, because a Sheriff is a legal, not an administrative official.

insidious foreign design. And his last words, "Save for me Yugoslavia," touched an answering chord; in the moment of danger his destruction of their liberties was dwarfed by his work for national defence. I well remember how an old friend of mine, a Serbian diplomat of some distinction, once laughed at the failure of British opinion to comprehend the Balkan attitude towards their kings, whether in Serbia or Bulgaria, Greece or Roumania. "Divine right," he said, "may mean something in the West, but in the Balkan Peninsula *qu'est que c'est qu'un Roi? Ce n'est qu'un préfet.* When we have had enough of him, we change him and take another." This was said *à propos* of King Ferdinand in 1915.

It is hardly too much to say that the dynasty is now in less danger than before. Not only will sentiment be overwhelmingly on the side of the poor little Boy King, but there will be nothing to gain by dethroning him. The struggle for political power will go on behind him, with the rival combatants paying lip service to the throne. The danger lies in other directions. The Regents have already lost one of those unique opportunities which may never recur, of rallying the whole nation behind a Government of National Concentration. Mr. Uzunovitch's statement was a direct rebuff, all the more regrettable because the most reputable leaders of the Radicals, Democrats, Croats, Moslems and Slovene Clericals were all ready to cooperate. We must hope that the hitch which apparently occurred at the last moment, when all seemed going well, may still be made good.

Meanwhile it is already known that there will be no rash action or *revanche*. But there will be insistence by the whole Little Entente and by France on probing the tragedy of Marseilles to the very bottom. M. Laval is not likely to visit Rome till all has been cleared up. Those morally responsible must either go, or, where that is obviously impossible, must give solid guarantees for the future.

In home politics the triple problem remains unchanged—economic and financial recovery; justice for Croat and Macedonian, which is another way of saying federalism; and the restoration of political liberties. The exact process of face-saving can, after all, be worked out. Obviously to revoke the mock-constitution of 1931 is too much to expect from those in power. But it is not unreasonable to suggest a Government of Concentration from all groups, which would then institute honest elections, based on the existing franchise, but of course without the existing veto on political parties, and which would then give the new

House a mandate for a revision of the constitution. If advance on some such lines should definitely fail, a military dictatorship is sooner or later inevitable, and that would bring very grave dangers in its train.

Meanwhile, it is certain that an attempt will be made to carry on the dead King's foreign policy. Relations with France will be rather colder, but will be maintained. With the Little Entente they will be closer than ever. Incidentally all danger of a Roumanian dictatorship will be indefinitely postponed. Yugoslavia will undoubtedly continue to cultivate good relations with Germany and to hold the German menace over Italy, but she will not break her alliances *pour les beaux yeux* of Berlin. General Göring's offers, made after the funeral, are not accepted, but also not rebuffed; for a common German-Yugoslav interest in certain contingencies cannot be denied.

In other words, not the Balkans, but Vienna, is the danger-point, and the real crux of the whole situation is how to avert new trouble in Austria. This involves that working agreement between France, the Little Entente and Italy which King Alexander was going to Paris to discuss. Will the Duce, already alarmed by the Dollfuss tragedy and now by Marseilles, consent to such an agreement, or hold to it if concluded? Can he do so without throwing over Hungary and revision? Will France continue to play with the Habsburgs? Will she refuse to realise that the return of Otto to Vienna would automatically launch Hitler upon Austria, with all Germany from Left to Right behind him, and would even force the Little Entente on to the German side? These are questions in the European background, but I am not foolish enough to attempt an answer to-night.

Twenty years ago Horatio Bottomley wrote his famous "To Hell with Serbia." To-day the British press has been universally sympathetic and restrained. *John Bull's* place was filled by "Plain Dealer" in *Truth*, who called Yugoslavia "a flimsy, cumbersome and artificial creation of the Peace Treaties" and went on to argue that it is very much to the advantage of a considerable part of Europe that Yugoslavia should be broken up. I move a direct negative, and I hope you will join me in thanking Sir John Simon for saying last week that "A strong, contented and united Yugoslavia is a vital European necessity."

I will close with an anecdote which has just reached me from Zagreb. After the last attempt on the King's life in January,

the great Croat sculptor, Ivan Meshtrovitch (a courageous critic of the régime to the King's face, a keen upholder of Croat rights, but also of Yugoslav unity), reproached the King for not taking greater precautions. King Alexander replied, "I know it may happen at any moment. We must be ready for it. They are wrong if they think that by killing me they can kill Yugoslavia. I am only a man, and many have built before me. It will only be the stronger if I fall for it."

His last words, we are told, were *Čuvajte mi Jugoslaviju* (Protect for me Yugoslavia). That feeling was in every fibre of his being. And when I heard that, I said to myself—I have always condemned the dictatorship, not as hardly as I condemned the politicians who built wrong after the War, but still as a political blunder of the first magnitude. But I too regard King Alexander as a martyr to Yugoslav unity, and I too can only give the same answer as the peasants along the route: *Mi ćemo čuvati Jugoslaviju*—"*We* will protect Yugoslavia." And Yugoslavia will live and not perish.

*Summary of Discussion.*

THE CHAIRMAN, SIR EDWARD BOYLE, said that King Alexander, to all who knew him, was a soldier first, last and all the time. During some of the most formative years of his life he had been engaged in the prosecution of three successful wars, and he came to have a profound contempt for the chicanery of politicians as he knew them in Belgrade. It was characteristic of his soldierly qualities that, having decided that dictatorship was necessary, he himself assumed the position of dictator instead of remaining in the background, as in other countries, and allowing the functions of dictatorship to be carried out by someone else.

The Croat leaders, men trained in the ideas of Strossmayer, sought union with the democratic Serbs because they believed that in such a voluntary union they would at last find that justice and freedom which they had never found under the Habsburgs. In spite of the disappointments of the succeeding years, ninety per cent. of the Yugoslavs of Austria and Hungary still remained loyal to the Crown of Yugoslavia. Their loyalty had been strengthened by the policy of Italy, which under a wiser direction might have been the standard-bearer of freedom, not merely for Serbia but for the whole of South-Eastern Europe. It was a commentary on the madness of the times that the Macedonian Bulgars were complaining of treatment from Belgrade exactly similar to that meted out to the Yugoslavs of Venezia Julia by Rome.

A new chapter had opened. Prince Paul was a man of essentially Western outlook, but the difficulties before the new régime gave cause for grave apprehension. The power of the administrative hierarchy

throughout the country, perhaps even more than that of the military, might be too strong to permit the changes and developments in internal government which were so much to be desired. It was greatly to be regretted that the opportunity had been lost which would have been provided by a generous amnesty at the time of the assassination of the King, but it was still possible to hope that a government of all parties might be formed.

The only hope for the future was a solution on federal lines which would give Serbs, Slovenes, Croats, Montenegrins and Macedonians some wide measure of local autonomy. The true solution in Yugoslavia was not militarism but democracy, not force but justice, not autocracy but freedom. Yugoslavia lost a great chance nineteen years ago; all her friends hoped that she would seize the chance offered in the immediate future.

Sir Arthur Evans said that as a young man in 1875 he walked through Bosnia and Herzegovina and the ground broke out into revolution under his feet. This was the beginning of "Yugoslavia." In those days and for years afterwards he had known the Yugoslav lands intimately. For seven years he lived there. For over fifty years he had watched the movement towards eventual union, and already in the 'eighties had foreseen the eventual break-up of Austria-Hungary. Two years ago he had again visited Slovenia, Croatia, Bosnia, Herzegovina and Dalmatia and had sampled the opinions of the people there; interviewing leaders of all. His conclusions altogether squared with those of Dr. Seton-Watson. Everywhere there was profound discontent; the best men were interned under police supervision and liable to be murdered, with police collusion. In Macedonia, where the repression was most savage, assassins were easily bred. It was clear from King Alexander's personal dispositions that he himself foresaw some such tragic end, and it was indeed surprising that it had not come sooner. King Alexander was misguided, but always well-intentioned, and the best record of him was his formation of the Regency in such a way that it seemed to give the Opposition a chance.

He agreed that the centre of the position was really in Vienna. Personal information from a trustworthy and very independent Austrian source gave alarming details as to the absence of stability in the country. The majority of the population was, in spite of everything, pro-Nazi. Union with Germany found its best propaganda in the oppressive action of Italy in South Tyrol. A popular movement in Austria would automatically place the country in the hands of Germany. The Great Powers could prevent the union as little as that of Wallachia and Moldavia, or East Roumelia and Bulgaria. The next step after that would be German penetration to the Adriatic and the eventual occupation of Trieste. The extent of German influence all through Dalmatia and in regions where he had never seen it before had been most noticeable. German instead of Italian had become the common language on that side. The idea was that Germany, to facilitate such

a move forward to the Adriatic, would free the 350,000 Slovenes and Croats still held down under the denationalising tyranny of Italy in the Julian Alps. If there were disturbances in that part of the world, Yugoslavia would be left no choice but to place herself on the side of Germany.

The leaders of the opposition parties interned in Yugoslavia were all determined that whatever solution was found in Yugoslavia, it should be on the lines of extensive provincial autonomy. They did not wish to break up Yugoslavia. But he himself had received, through neutral hands, a letter written only a fortnight before the murder by a representative of conspicuous moderation in one of the internment centres, conveying to him authentic information that they were firmly resolved to maintain their historic entities and traditions.

MISS M. EDITH DURHAM felt that in some respects the unfortunate man who committed the murder should not be too much blamed. The Macedonians had appealed to Geneva against the cruel persecutions they had been subjected to ever since their inclusion in Yugoslavia at least thirty times, and the Powers had simply turned a deaf ear. The Macedonians had fought for many years against the Turks in order to keep their own nationality, and it was still denied to them. People who found peaceful means useless in the end resorted to violence.

The only solution of the problem was that the various peoples should be recognised and given local autonomy. They all had different characteristics and separate historic backgrounds, and the fact that they spoke similar languages or dialects did not necessarily unite them. They were willing to form a federal State but not to be shaped forcibly into one mould. That had been King Alexander's mistake. He had appointed Serbian officials instead of local men and had tried to unify his kingdom too quickly; by giving concessions he might have got further.

She earnestly hoped that the thorough investigation advocated by Dr. Seton-Watson might not take place lest it lead to international quarrelling as to who had protected the refugees. For Belgrade to protest was a case of the pot calling the kettle black. The *attentats* in Austria which culminated in the Sarajevo murder were committed by Austrian subjects trained by the Serbian officers of the Black Hand in their *Komitadji* schools, and Belgrade's reply to the Austrian inquiry whether the Sarajevo murder was to be investigated had been that "the police had not interested themselves in the matter." It would be far better to let bygones be bygones and to concentrate on improving the condition of the subject peoples. Contented people did not plot across the border. All through the Balkans there was a tradition of blood vengeance and the vendetta was by no means dead. Plenty of people whose relations had been killed thought it almost a matter of duty to take blood in return. Therefore the less blood was taken by the government and the sooner there was a reform in the extremely

police measures, the greater chance would there be of maintaining

was hard to see why King Alexander followed so blindly this ‹en policy. It tempted one to think that there had been military ‹re behind him, and the fact that in appointing the Regency he ‹ot included any military man lent colour to this view. The ‹ion of Serbian military leaders was to create a great Serbia, ‹as the people did not want a great Serbia but to keep their little ‹al peculiarities. If the internal administration could be reformed the leaders of the different national parties could come to an ‹standing there was some hope of peace—otherwise none.

‹. BEN RILEY spoke of the background out of which the tragedy ‹isen and attributed it largely to the fact that, at the conclusion War, the Croats and Slovenes were tricked and deceived by the ‹rities at Belgrade, and the trickery and deception had gone on ‹ince. The Croats had been a nation for many centuries under ‹a-Hungary, with their Parliament in Zagreb and their own rights ‹ninistration; they agreed with the Slovenes at the conclusion of ‹ar to form a common kingdom with the Serbs, and the Kingdom ‹ Serbs, Croats and Slovenes was agreed to on three separate ‹ons in collaboration with the statesmen of Serbia—at Corfu in at Geneva in 1918; and in connection with the Peace Treaties ‹9—but the agreement was conditional on the recognition in the new of their national rights and national administration. Pashitch, ‹ading statesman of the day, agreed to that, but when the time ‹in 1919 and 1920 he deceived the Croats. If there had been a ‹nt policy then, the murder of King Alexander would not have ‹ed. In Croatia, Slovenia, Macedonia and Dalmatia, for the last ‹ars freedom had been non-existent; there had been no rights of ‹al culture, no right of free speech or free press, no right to meet ‹er and develop a national point of view. No one would argue ‹tification of the murder, but what of the hundreds of thousands ‹inary people who languished in gaol for months and years, not ‹y crime but for claiming the right of national expression? On ‹st 18th, 1934, twenty-seven peasants from the valley of the ‹ had been sentenced to imprisonment; four for life, three for ‹y years each and twenty for periods varying from two to eighteen while two who had escaped were sentenced to be hanged. That ‹he background of the murder. The teaching of Stepan Raditch ‹ not be stamped out in Croatia, and the authorities of Belgrade ‹n opportunity to be generous and give the peoples of Yugoslavia measure of self-determination in future.

‹R WILLIAM GOODE thought it most unfortunate to try to place ‹ilt of the assassination on one or two countries and was astonished ‹Dr. Seton-Watson should apparently attribute it to revisionism. ‹it ever suggested that the French should be brought before the

"bar of Heaven" because plots had notoriously been hatched in France against the life of Mussolini? Was it ever suggested that steps should be taken against Austria because she openly gave refuge to two or three thousand Communists immediately after the Béla Kun Communist régime in Budapest? It was the accepted practice of the countries of the Danube basin to give asylum to those who fled over the respective borders when violent changes of régime occurred. Miss Durham might have generalised too broadly, but she was right in principle when she said that people did not flee from contented countries. It would be better to get rid of the causes of discontent rather than to try to pin down the crime to a particular country. Recrimination and action on those lines in the present tense situation might well produce dangers far more deplorable even than the assassination itself.

He was amazed to hear Dr. Seton-Watson say that Hungary was "ill advised" to bring the Yugoslav boundary disputes before the League. If Hungary had taken one peaceful step in her existence, surely it was to bring that problem to the League for settlement. He understood that a settlement had been achieved and that the representatives of the two countries had shaken hands, following the withdrawal or at any rate the dropping of Yugoslavia's allegations in connection with Janka Puszta. To reopen with passion a dispute which had been amicably settled under the ægis of the League seemed to him both dangerous and most inadvisable.

With regard to Janka Puszta, he quoted an article from *Pester Lloyd* (October 27th, 1934) which gave an interview with Mr. Henry Hellssen, editor of the *Berlingske Tidende*, who had been to Janka Puszta and reported that it was a tiny farm-house which could never have housed more than five people; the answer to those who asked how Croat *émigrés* had the money to buy the place was simple, for they never bought it, but rented it and after a short time were turned out because the rent was in arrears, the farm hands had told Mr. Hellssen that the *émigrés* had bought tobacco and that their next-door neighbours had never heard any sounds of firing and were most surprised when French journalists arrived and asked, "Where are the barracks?" "Where is the arsenal?" "Where is the munition factory?" The ejected Croats had gone to a near-by village and taken a smaller house, but were turned out again for non-payment of rent. Even assassins seemed to suffer from the prevailing economic depression.

Mr. C. A. Macartney agreed with Miss Durham that the investigation into the crime should not be allowed to develop too far. In most other points he agreed with Dr. Seton-Watson, particularly as regards the essential solidarity of Yugoslavia, a solidarity which outside pressure could only enhance. At the same time, the future was undoubtedly very serious, and that largely owing to the late King's own mistrust of real ability, owing to which the best men in the country had been eliminated from public life in favour of second-rate persons. The King's rule had been a real absolutism; recently he had made

several attempts to create some sort of Fascist Party as a basis for his régime, but these attempts had not been carried far. The only powerful "Yugoslav" force remaining was the army. On the other side were the old political parties, but he could not share the view that a return to power of those parties would lead to anything but chaos. Under the dictatorship the party leaders had lost both prestige and adherents, and had, so far as he could tell from conversation with them, made no plans whatever for cooperation if and when the King's régime broke down. The Serbs had grown little more inclined to grant federation; the Croats showed no signs of abandoning their incurable habit of rejecting whatever was offered them and refusing to say what they themselves wanted, and their maximum demands were as unreasonable as ever. A return to party politics would not solve Yugoslav problems, of which it was, indeed, hard to foresee any solution for a long time to come.

DR. SETON-WATSON appealed for a sense of perspective in considering the importance of outrages in Yugoslavia. Murders and terrorisms were not more numerous there than in some other countries. The admittedly abominable methods in the prisons in Yugoslavia for years past must be compared with the appalling incidents in camps and prisons all over Germany, one of the most civilised countries in the world, for the last eighteen months.

Mr. Riley's statement that the Croats and Slovenes were tricked by the authorities at Belgrade over-simplified the situation and gave a misleading impression of what really happened, though undoubtedly the methods of Pashitch and his centralist clique were open to very severe criticism. The Croats and Slovenes rushed into the union, owing to the dangers of the Adriatic situation, and struck no bargain when they offered the Crown to the Prince Regent on December 1st, 1918. In the meantime, the compromise reached at Geneva in November was torn up as a result of lack of communications between Belgrade and the West, and at the final stage a majority of the Croats themselves adopted a policy of abstention and thus enabled the centralised constitution to be carried through Parliament by Pashitch. This would never have happened if the Croats had stuck to their guns and adopted an "activist" policy. Pribitchevitch himself now openly admitted his error of judgment in supporting the centralist policy at that time. The attitude of the Slovenes was another factor in explaining the situation. Unlike the Croats, who enjoyed autonomy under Hungary, the Slovenes had never formed a national unit under Austria, but had been divided up among the various provinces; but when the union came, Croatia lost its autonomous status, whereas Slovenia for the first time became a national unit, with full linguistic and administrative rights, with its own national university, and with more schools than it had previously had. The Slovenes therefore tended to accept the Belgrade policy behind the back of the Croats. That was an additional complication which could not be ignored.

He certainly did not attribute the crime to revisionism. What he wanted to make clear was that it was hopeless for a country to put itself on the basis of injured innocence and clamour for revision, while simultaneously conniving at a widespread terrorist movement. To say that MM. Fotitch and Eckhardt had shaken hands and that the allegations of the Yugoslavs had been withdrawn in an amicable settlement was an altogether misleading account of what had happened at Geneva last summer, in a situation which had, of course, been radically transformed by the Marseilles crime. Having been a careful reader of *Pester Lloyd* for twenty-five years, he could testify to the infinite mischief which it had done by a deliberate misrepresentation of Serbia and the whole Yugoslav problem, both before, during, and since the War. Its quotation of what the Danish journalist had said about Janka Puszta, only proved him to be a very gullible person.

He, of course, entirely agreed that it was in every way undesirable that the investigations should lead to a violent international feud with political consequences for the whole of Europe. But it was a great mistake to try to hush up awkward facts, while all the time the press of all the countries concerned was full of recriminations and violent mutual abuse. The only result was to deprive ourselves of the means of testing the situation. It was useless for people sitting comfortably in London to ignore what was being written and assume that there was no danger: this was merely the tactics of an ostrich. His own experience had been that attempted suppression of facts always failed in the end and envenomed the situation still further; and that was why he had ventured to provide an hour of unpleasant and undigestible facts for the consumption of his audience.

# THE INDIAN STATES AND THE REFORMS [1]

By MAJOR-GENERAL THE RT. HON. SIR FREDERICK SYKES, G.C.S.I., G.C.I.E., G.B.E., K.C.B., C.M.G.

THE Indian States are likely to play an important, if not a decisive part in the future of India, and they present a number of economic and political problems of great interest and complexity. In the circumstances, a brief description of the leading aspects of the question may be opportune. First, may I recall to your minds how the present position has been reached and how it now stands?

The States cover an area of nearly 700,000 square miles and have a population of 81,000,000. There is thus an India under the control of the British Parliament, and an India under the suzerainty of the Crown but under the control of its hereditary Princes. A further complication lies in the fact that there are as many as 562 of these States, ranging from Hyderabad, larger than England, with an area of 82,700 square miles, a population of over 14,500,000 and an income of £5,000,000, to petty holdings of a few acres.

These, however, fall broadly into three classes: the first includes Sovereign States like Hyderabad, Gwalior, Baroda, Mysore and Travancore, united to the Crown by treaty, and enjoying legislative and executive independence within their borders, subject, of course, to intervention by the Paramount Power; the second, those who exercise partial independence under supervision, and in which the British Government reserves the right of intervention in internal affairs, supervision of criminal jurisdiction, and restriction in the right of legislation; and the third, those who enjoy no independence at all.

States have been generally classified by the number of guns in their salutes. Thus Hyderabad, Mysore, Baroda, Kashmir and Gwalior, are entitled to a salute of 21 guns; and Udaipur, Travancore, Kolhapur, Bhopal and Indore to 19 guns. According to the system adopted for representation in the Chamber of Princes, there are 108 States in the first class, 127 in the second, and 327

[1] Address given at Chatham House on October 23rd, 1934. Sir Harcourt Butler, G.C.S.I., G.C.I.E., C.B., C.B.E., in the Chair.

in the third. About 40 have treaties with the Crown; the rest have grants of varying types.

Most of the States originated from the break-up of the Mogul Empire in the eighteenth century, though a few, like the Rajput States of Central India, trace back their beginnings to long before the advent of the Mahommedans. The State of Hyderabad was founded by the Nizam-ul-mulk, Asaf Jah, in 1724. The Kingdom of Oudh was founded in the same year by another great Mahommedan Mogul, Saadat Khan. The State of Mysore originated in another manner. The ancient Hindu dynasty was restored by Lord Wellesley after the overthrow of the usurper Tipu in 1799. In 1831 the misgovernment of the Rajah provoked a rebellion, and the State was put under British administration until its rendition in 1881. The Maratha States of Central India and the Deccan were carved out by the Maratha generals in the eighteenth century. Our relations with the Sikh States date back from the early years of the last century and were fixed on their present basis after the Sikh War of 1849.

Our relations with many of the Indian States date back to the Governor-Generalship of Lord Wellesley (1798–1805), who initiated the policy of "subsidiary alliances," whereby the rulers agreed to disband a proportion of their forces and leave the defence of their States to us and, at the same time, paid for the troops thus provided by cash subsidies or assignments of territory. This was done in the case of the Nizam, who accepted an alliance of this kind in return for the disbandment of his formidable corps of troops under French command, which constituted a serious menace. He eventually accepted a force known as the Hyderabad Contingent, and agreed to cede the Berars in lieu of cash payment for its upkeep. This system was the origin of a large number of complicated clauses which persist to the present day in our treaties with the States. How intricate they are may be gathered from a study of Aitchison's monumental work.[1]

A new era in the history of our relations with the States was opened by Lord Dalhousie (1848–1856). Dalhousie was impressed by the misrule in many of the States, especially in the Kingdom of Oudh, and the sufferings entailed upon the Indian peasant. This was, unfortunately, the inevitable result of our policy. We had given the Princes power without responsibility, and we maintained them on their thrones. The result was, in certain

[1] *Collection of Treaties, Engagements and Sanads regarding India and neighbouring Countries.* Compiled by C. U. Aitchison. Revised to 1929. 1929. Calcutta.

instances, a state of anarchy in which misgovernment and oppression were unchecked and the revenue dissipated. Oudh in particular was a public scandal, and Dalhousie accordingly took the drastic step of annexing it. In the case of other States, he insisted on the strict application of the right of the East India Company to refuse to recognise the adoption of an heir where it thought fit; under the " Doctrine of Lapse," as it was called, the Maratha States of Satara, Jhansi and Nagpur were taken over.

Dalhousie's policy had much to recommend it—good might probably have resulted if more of the smaller States had been absorbed in this way—but it was very unpopular. Hence, when India was taken over by the Crown, Queen Victoria issued a Proclamation in which she announced to the Princes of India that

> " All treaties and engagements made with them by or under the authority of the Honourable East India Company are by us accepted and will be scrupulously maintained, and we look for the like observance on their part. We desire no extension of our present territorial possessions, and while we will permit no aggression upon our Dominions or our rights to be attempted with impunity, we shall sanction no encroachment on those of others."

At the same time, by the Act of taking over India from the Company, the Crown assumed the position of the Paramount Power. This was emphasised by the assumption of the title of Kaisar-i-Hind (Empress of India) by Queen Victoria in 1876. Over and above all treaty obligations, the Crown, acting through the Governor-General, exercises its responsibilities as the Paramount Power when circumstances such as gross misrule or any other threat to the general peace of India demand intervention. The British Government, whilst scrupulously observing the spirit of the Proclamation of Queen Victoria, has consistently used these powers where necessary. On the one hand, it has lent its support when the rulers have been met by conditions with which they were unable to cope unaided. On the other, rulers have been deposed for persistent misgovernment after due warning, though the Government has in every case refrained from annexing the State, and has replaced them in due course by successors on the " Gadi," leaving their rights and status unimpaired.

There is a disposition in some quarters to look upon the Indian States merely as picturesque survivals of mediæval feudalism, which sooner or later are destined to be swept away in the advance of Western ideas. This is not in accordance with the facts of the case. The States are an essential part of the India of to-day. They have rendered us valuable services in the past. In the

Mutiny, their loyalty was of great assistance. There is a real and genuine feeling of attachment on the part of the Princes to the King Emperor. During the Great War they helped us in a most generous fashion, with men, money and material. Many States maintain bodies of Indian States troops, which, if called upon, could be incorporated in the second line of the Indian Army. This involves an annual expenditure on their part of £1½ million. If the Constitution broadly outlined in the White Paper of 1933 [1] is put into effect, the representatives of the States will play an important part in the Central Government, and it may be reasonably expected that their long political experience may prove a valuable asset.

Then there is the question of the internal administration of the States. The Paramount Power is ultimately responsible, whether in British India or the States, and the problem has always been a difficult one: we must insist on a reasonable standard of good government without interfering unnecessarily in internal affairs. The States are in all stages of development, patriarchal and feudal, while in some there are to be found the beginnings of representative institutions. But the characteristic feature of them all, including the most advanced, is the personal rule of the Prince and his control over legislation and justice. Every State is an autocracy, and even where Legislative Councils exist their functions are purely advisory. One of the chief difficulties is to persuade the Princes to separate their Privy Purse from the revenue of the State. The jealousy with which the Princes regard their rights makes interference a delicate matter. Actual misgovernment, apart from inefficiency and extravagance, is rare, but cases have occurred which have resulted in open rebellion on the part of the subjects. This has led to the intervention of the Paramount Power, and, as I have already mentioned, the abdication or deposition of the ruler.

Ever since the days of Lord Curzon, Government has recognised that the best line of advance is to educate the younger generation of Indian rulers to an adequate realisation of their great responsibilities. Every effort has been made, by means of Chiefs' Colleges, run on the English public school model, and by appointing carefully selected tutors to the Princes, to bring them up to a full sense of their duties. Many of them have been educated at English schools and universities and are men of wide culture. Others have joined the Army and have had the advantage of military training, and not a few saw active service in the

[1] Cmd. 4268 of 1933.

Great War. The fruits of this policy are slowly but surely becoming apparent in the States of to-day. The matter is so important that the Government of India will, doubtless, keep constantly in view the necessity of maintaining the high standard reached by the Chiefs' Colleges in the past and adapting them to meet the changing conditions of the future.

The progress made in recent years is emphasised in the Butler Report.[1] It notes that 30 States have established Legislative Councils, which, though of a consultative nature only, are valuable for bringing popular grievances to the notice of the rulers; 40 have constituted High Courts; 46 have a graded Civil Service, with pensions and provident funds; and 46 have a fixed Privy Purse. The chief responsibility lies with the Head Minister and his Executive Council. The Ministers contain among their number many very able and experienced administrators, and in some cases the services of officials from British India are obtained.

Many of the States are excellently administered; they have spent large sums upon education, and nearly all have up-to-date hospitals and libraries, good roads, and well-laid-out towns. Mysore has gone further than British India in some respects. Its Legislative Assembly dates back to 1881; it has a Second Chamber with a non-official majority; it has revived the system of *panchayats*, which are in charge of public health, roads and sanitation; and it has a permanent Economic Council which takes charge of all national planning and development. Many Indian Princes are enlightened patrons of Indian art and literature, and there is in the States a traditional loyalty and sense of intimacy between rulers and ruled. Experience shows that, on the whole, Indians are well suited by an autocratic government provided that the indulgence of personal idiosyncrasies of a harmful character on the part of the ruler, where such exist, are duly limited. This check is supplied by the British Resident, who also acts as a liaison officer between the States and the Viceroy. Most of the States are now in direct relations with the Government of India, to which they have been transferred from the Provincial Governments in accordance with the policy laid down in 1923.

Such, very briefly, is the position of the Indian States at the present. But their presence in the Indian Empire has given rise to a series of problems which the approach of the Reforms has brought into prominence, and which demand our closest attention. The root of the trouble lies in the fact that, broadly speaking, there are, politically, two Indias, whereas geographically

[1] Report of Indian States Committee, 1928–1929. Cmd 3302 of 1929.

the country is one. This leads to a number of anomalies which enormously increase the difficulties of administration and hamper economic development. For instance, railways, trunk roads, telegraphs and telephones, all of great strategic and commercial importance, run through State territories. If every State exercised jurisdiction on the main line between Delhi and Bombay, it has been pointed out that a train would encounter 38 changes of jurisdiction on its journey. Indian State and British territories are so intermingled that it is necessary that a measure of economic and administrative unity should subsist between them.

Then the questions of external and internal defence are common to the Indian Empire as a whole. The suppression of crime is another all-India subject. It has to be made impossible for criminals in British India to take refuge in the States and vice versa; the same applies to political agitators. Again, excise, salt and opium are all-India subjects. Salt is of great importance, as the salt monopoly is a leading source of revenue to the Imperial Government. Postal systems and currencies must also be mentioned: certain States have their own internal postal arrangements and currencies, which they would not consent to forgo, but the disadvantages of this are obvious. Customs and revenue give rise to a number of intricate problems. Most States, except Mysore, impose their own customs and import duties. These are an important source of revenue amounting to about £3,000,000 annually. The Princes reserve the power of imposing customs as, apart from financial reasons, they regard it as a symbol of sovereignty.

Another set of problems arises from the presence, in maritime States, of ports which are competing or likely to compete injuriously with British India. This has been brought prominently to the fore of late by the controversy over the Kathiawar ports where the States claim the right to impose their own sea customs, and which, in spite of the cordon known as the Viramgam Line, have absorbed a great deal of the trade of Bombay. Bhawnagar, in particular, has enjoyed peculiar advantages owing to a favourable treaty in 1861. On the other hand, the port of Cochin, which may play an important part in developing the trade of Southern India, is completely surrounded by Indian State territory.

The idea that federation was likely to prove the logical solution of the many problems arising in connection with the Indian States was first definitely put forward by the authors of the Montagu-Chelmsford Report in 1919.

"Looking ahead at the future [they say] we can picture India to ourselves only as presenting the external semblance of some form of

federation. The Provinces will ultimately become self-governin units, held together by the Central Government, which will deal wit matters of common concern to all of them. But the matters commo to the British Provinces are also those to a great extent in which th Native States are interested. . . . The gradual concentration of th Government of India upon such matters will also make it easier for th States, while retaining the autonomy which they cherish in interna matters, to enter into closer association with the Central Governmen if they wish to do so." [1]

One of the results of the Montagu-Chelmsford Report was th setting up in 1919 of the Chamber of Princes. The words of th Royal Proclamation of December 25th, 1919, ran as follows:

" Simultaneously with the new Constitutions in British India, have gladly consented to the establishment of a Chamber of Prince I trust that its counsel may be fruitful of lasting good to the Princes an the States themselves, may advance the interests which are common t their territories and to British India, and may be to the advantage c the Empire as a whole. I take the occasion again to assure the Prince of India of my determination ever to maintain unimpaired thei privileges, rights and dignities."

The Chamber of Princes was inaugurated with impressiv solemnity by H.R.H. the Duke of Connaught, on February 8th 1921. It was to consist of 120 members. Of these, 108 wer members in their own right, while 127 smaller States had the righ of electing 12 members of their Order to represent them. Th Chamber stood outside the Constitution, but it was hoped that i might have the effect of bringing the Princes together, and givin their Order a feeling of solidarity in all matters of commo interest. Its decisions were, of course, not to be binding upo its members, either individually or as a body. Unfortunately it has not entirely justified the hopes which were formed at th time of its inauguration. Several important rulers have decide not to take part in its deliberations. This illustrates the inheren weakness of the Chamber. The lack of any real measure o agreement among the Princes themselves, distance, divergence o interests, racial and dynastic rivalries, and the jealousies betwee the smaller and larger States make a common point of view a matter of great difficulty. Nevertheless, its foundation was a important landmark. It was the first step towards the ideal o federation.

The Simon Commission, which was appointed in 1927, als came to the conclusion that federation was the logical solution o

[1] Report on Indian Constitutional Reform. Cd. 9109 of 1918.

the Indian problem. It envisaged a federation of which the units would be (1) a series of Provinces each with their Governor, a Legislature and a responsible Ministry, and (2) a series of Indian States, autonomously governed as far as their internal relations were concerned, each with its ruling Prince in relations with the British Crown and each with its own internal arrangements and its system of internal finance, but no power to impose customs duties at its boundaries. It obtained permission to examine " The methods by which the future relationship of British India and the Indian States might be adjusted." But while foreshadowing federation the Commission pointed out that it was a matter which could not be hastened while the attitude of the Princes was still unascertained.

Accordingly, the next step was to bring together representatives of the Indian States and British India and to give them an opportunity of expressing their joint view. This led to the summoning of the Round Table Conference of 1930. There is no doubt that the Princes had, for some time, been considering in their own minds the question of federation and its feasibility and, at the Round Table Conference, the attitude of the States' representatives towards the idea was decidedly encouraging. His Highness the Maharaja of Bikaner explicitly declared that the Princes

" have openly given expression to the belief that the ultimate solution of the Indian problem and the ultimate goal—whenever the circumstances are favourable and the time is ripe—is federation, which word has no terrors for the Princes and the Governments of the States."

The Maharaja of Patiala confirmed this. He said: " The Princes and representatives of the Indian States have accepted the idea of federation, and have proved their willingness to make the sacrifices of sovereignty which they will necessarily entail." But, he added, " we consider certain things to be essential. We can only federate with a British India which is self-governing, and not with a British India governed as it is at present." To this the Prime Minister replied (January 19th, 1931), " With a Legislature constituted on a federal basis, His Majesty's Government will be prepared to recognise the principle of the responsibility of the Executive to the Legislature."

These words paved the way for the Constitution outlined in the White Paper of 1933. The White Paper was not, as will be seen from what I have said, a radical departure from the lines of procedure laid down by the Simon Commission. It was its logical

consequence, rendered possible by the new set of conditions which had arisen. Federation, which had seemed distant to Sir John Simon and his colleagues, had now apparently become a practical proposition. In the Constitution outlined in the White Paper, federation is the keystone of the whole edifice. It proposes the repeal of the existing Government of India Act and its replacement by a new "Constitution Act," embodying the decision of Parliament. Under this, a Federation of India will be a union of the Governors' Provinces, and those Indian States whose rulers signify their desire to accede to the Federation by a formal Instrument of Accession. By this Instrument the ruler will transfer to the Crown for the purposes of the Federation his powers and jurisdiction in respect of those matters which he is willing to recognise as federal matters; and the powers and jurisdiction so transferred will thereafter be exercised on behalf of the Federation by the Governor-General, the Federal Court, and such other federal organs as the Constitution Act might create. The Federal Legislature is to consist of two Chambers, the Council of State and the Legislative Assembly, in both of which the States will have a large, if not preponderating, voice.

In the White Paper it is proposed that the Council of State should consist of 260 members, 150 from British India, 100 appointed by the rulers of the States, and 10 nominated by the Governor-General. In the Assembly, out of 375 members, 125 are to be appointed by the rulers of the States. It is important to notice that the States representatives in both Houses are to be appointed, not elected. The Princes are left to settle the details of their representation among themselves, and the method of grouping is to be resorted to in the case of the smaller States. Only a ruler who has acceded to the Federation will be entitled to appoint a representative to either House.

As recommended by the Butler Committee, except to the extent to which a ruler has transferred powers and jurisdiction, the relations of the States will be with the Crown represented by the Viceroy, and not with the Crown represented by the Governor-General as executive head of the Federal Government. And lastly, it is laid down that the Federation shall not come into existence until the rulers of States representing not less than half the aggregate population of the Indian States and entitled to not less than half the seats to be allotted to the States in the Federal Upper Chamber have signified their desire to accede to the Federation. It is, moreover, stated that once a State has agreed to federate, the right to secede will not be

permitted. The Instrument of Accession once signed will be irrevocable.

Unfortunately, the opinion of the Princes in favour of federation proved, after all, to be not unanimous. The late Jam Saheb of Nawanagar, in his farewell speech as Chancellor of the Chamber, on March 25th, 1933, stated that, in his opinion, the scheme was dangerous to the Indian States and to the British connection. The Chamber thereupon passed a resolution declaring that the entry of the Princes into the Federation depended upon the inclusion of essential safeguards, but that they were prepared to continue negotiations in London with a view to securing those safeguards and helping to frame a scheme which would meet with general acceptance. On the other hand, there is an ever-growing recognition among the Princes and their advisers of the fact that the States and British India are really inter-dependent, and that, where questions affecting their mutual interests arise, they should not stand aside, but take a leading part in deciding them.

Many of the Princes also hold the view that a *de facto* Federation exists already, but one in which they have no voice, as the Government of India is responsible for their defence and foreign relations, and fixes customs duties which Indian State subjects have indirectly to pay. For this reason they feel that they have more to gain than to lose by federation and, probably, when the time comes the requisite number will be found who will be willing to sign Instruments of Accession in a form satisfactory to both contracting parties. And it would seem doubtful whether the remaining States will find it possible to remain permanently in a state of isolation. Sooner or later the force of circumstances will compel them, in their own interests, to follow suit. The present position, therefore, seems to be that the majority of the Princes will come into the Federation, provided that they agree with the construction of the Centre as embodied in the forthcoming Bill. As the Butler Committee remarks, there is nothing to prevent the adoption of some form of federal union as the two Indias of the present draw nearer to one another in the future, or to hinder a big State or group of States from entering, now or at any time, into closer relations with British India. But it has to be borne in mind that there is need for great caution in dealing with the question, so passionately are the Princes as a whole naturally attached to the maintenance of their individual sovereignty.

A number of preliminary questions will, however, have to be

settled before federation becomes a practical proposition. First, there is the problem of allotting the seats in the Federal Legislature to the federated States. This cannot depend upon the number of guns in the State salutes, which in any case requires revision; and though this factor cannot be ignored, a more scientific basis, founded mainly upon considerations of population and revenue, will have to be devised. The minor States are, not unnaturally, apprehensive that they may be overshadowed by their larger and more powerful neighbours unless they are generously treated. Many of these smaller States, equally with the larger, are excellently administered and of historic importance. It will, I think, be necessary to resort to the method of grouping with regard to them, and may I take this opportunity of urging upon the smaller States the desirability of steadfastly prosecuting their efforts to arrive at a satisfactory system of homogeneous regional grouping for the purpose of mutual social, political and financial co-operation? The immediate question of the allotment of the seats in the Central Legislature, however, cannot be left to them, but will have to be decided by the British Government.

Next there is the necessity for a decision as to the financial terms upon which the States could be fairly expected to enter the Federation. The Davidson Committee, which was specially appointed in 1932 to investigate this question, considered that the ideal solution, a complete uniformity of burdens and benefits, is impracticable. The federating elements are not uniform; they vary immensely in area, population and wealth. They will not be completely subordinated to the Union; they will continue to exercise a number of rights, guaranteed under treaty by the Paramount Power. They therefore recommend a separate financial settlement with each State upon its entry into the Union. In the case of the maritime States, they put forward for consideration an arrangement under which they would retain duties on goods imported through their own ports for consumption by their own subjects. They recommend the gradual extinction of the cash contributions and other forms of tribute at present paid by the States to the Central Government as inconsistent with the true spirit of federation: although they recognise that this involves a certain loss to the Central revenues, they point out, by way of compensation, "By the very fact of their entering into federation, the States make a contribution which is not to be weighed in golden scales." On the credit side, the Davidson Committee recommended that the tribute should not be dropped until income tax is restored to the Provinces,

and in the case of maritime States and others enjoying privileges such as customs, tributes will remain on the same footing as before. In addition, the contribution in the matter of Indian States troops, amounting, as I have said, to £1½ million, has to be considered. But it must be realised that no such arrangement could be come to without the consent of the States concerned, and this, if it involves the curtailment of treaty rights, would probably not meet with general acceptance. This again would give rise to a number of problems. Let us suppose, for example, that the number of States agreeing to federate is small, or little over the 50 per cent. laid down by the White Paper, and that some of the major States are included among those who decide not to come in. The result will be a divided India, and what is still worse, an enfeebled Centre, which it is most of all important to avoid.

It would seem, indeed, that a smooth, lasting and vigorous federation will only be secured if the States join in a body, transferring such of their rights and privileges as are necessary for the sake of the healthy development of the Federal Government, and making the federal area a compact whole. But the tributes at present paid to the Paramount Power will have to be remitted as being inconsistent with the federal idea, and the States may have to be compensated for the loss of port dues and other sources of income. This will involve an extra charge upon the already overburdened Centre. A federation can only be entered into when it is for the common good of the federating units. It is not worth the while of British India to seek association with unwilling partners at a price she can ill afford to pay. Federation is at least as much in the interests of the Indian States as of British India: the States will have a voice in the determination of federal policy, which, if adverse to their interests, would be ruinous to them. Hence it may be fairly argued that, if they enter into the Federation of their own free will, they should not expect to be compensated. If, however, they insist upon their treaty rights, it will be for the Paramount Power to decide how far the arrangement will be mutually beneficial.

In any case, the main prerequisite to a successful Federation is the existence of a strong Centre. In India the fissiparous tendencies of the country have always been the chief source of weakness, and it is of paramount importance that it should be guarded against. The Federation must be strong in itself, otherwise there will be a risk of disruption and decay. The federating units must be made to bear in mind the interests of

the country as a whole, and to ensure this the Centre must be powerful enough to prevent disunion or secession. If the Centre is weak there will be internal chaos and external aggression. This question must be squarely faced and, if necessary, the Central Government's emergency powers must be strengthened.

It will be apparent from what I have said that the question of the Central Government involves a number of complexities, and it may be desirable to start with Provincial Autonomy in anticipation of these being settled, subject, of course, to some arrangement or redistribution of financial resources to ensure the initial solvency of the Provinces. The delay, as regards the Centre, need not be a long one if the problems involved are taken in hand at once. But there must be one, not two Bills, and it must be made clear that we intend to implement our undertakings in regard to the Centre at the earliest opportunity.

The relations between the Princes and the Paramount Power require revision, not with a view to change of policy or encroachment on treaty rights, but in order to simplify, standardise and codify practice for the future, and to arrive at a more precise definition of the boundary lines between federal and internal affairs. The policy of direct relations between the Indian States and the Centre has been inevitable since the introduction of the Montagu-Chelmsford Reforms. If federation comes into force, it will be essential; the States must be directly under the Viceroy. But in many areas it is to be remembered that the States are so intermingled with British Indian territory that cases must arise from time to time between them and the local Government which could be best adjusted on the spot, subject to appeal to the Viceroy. This is particularly the case in the Bombay Presidency, which has some 200 States within its geographical limits, with which, moreover, it has been traditionally associated ever since the downfall of the Maratha Empire. The difficulty might be partly solved by the presence of the Senior Political Officer at Presidency headquarters, to act as liaison officer between the States in the Province, or contiguous to it, and the local Governor, and to settle minor and routine questions not of sufficient importance to be referred in the first place to the Viceroy. Moreover, where complications arise from the presence of isolated blocks of State territory in British India or vice versa, it is worth considering anew whether it would not be possible to simplify matters by arranging for their rendition on suitable terms.

As regards the vexed question of the adjustment of revenues derived from ports, railways and customs between the Provinces

and the States, this can only, in my opinion, be satisfactorily settled by a comprehensive all-India inquiry into the subject, and this should be instituted without delay.

The Political Department will also require reorganising. Hitherto it has been recruited with success from selected members of the Indian Civil Service and the Indian Army, but the changed conditions require that it should be remodelled. The Indian Political Service of the future may have to be recruited on the lines of the British Diplomatic Service, its members receiving a special training in the language, history and culture of the States to which they are to be posted, the treaties and other engagements entered into between them and the Crown, and all those ceremonial observances and courtesies of manner and conduct to which India still attaches so much importance. It has been suggested that all political officers should, at the beginning of their career, be attached to Embassies or Ministries for training.

The Executive Council of the Governor-General at present contains no Political Member, and it has been argued that, when any question arises in which the interests of British India and the Indian States are opposed, the opinion of the Council is unconsciously predisposed in favour of the former. Under a Federal Government, however, the States will have a voice in their representation on the Cabinet as regards federal affairs. In the sphere of paramountcy, of course, the Princes will deal direct with the Viceroy in person, as the representative of the Crown. The Chamber of Princes will, in all probability, gradually cease to function when federation comes into operation, but some of its attributes might well be exercised by a Council of Ministers from the States.

Then, with the setting up of the new Constitution there will be a gap in the cooperation between Whitehall and Delhi which has hitherto been filled by the Secretary of State and the Viceroy. Great Britain and India are, one to the other, necessarily in a different position from the Dominions and require even closer and more constant interchange of views. To meet this I would suggest the strengthening and development of the Imperial Conference system. In this India as well as the Dominions already participate, and the States have, in practice, enjoyed distinctive representation. Such a development would, in addition to its many other advantages, assist in cultivating that growth of feeling of Imperial citizenship on the part of India which is so essential in the new era which is about to dawn. It would be of great advantage, if it were possible without detri-

ment to the general development of the Imperial Conference system, for matters of outstanding mutual importance to Great Britain and India to be considered at more frequent intervals at Anglo-Indian Conferences, perhaps under the chairmanship of the Secretary of State and Viceroy alternately.

These then are my views upon a few of the many aspects of this very complex and important subject. Peace and the future of India are the greatest and most momentous issues with which the world to-day has to deal. The latter involves not merely the future of our Empire, but the happiness and prosperity of millions of our fellow-citizens. It is a grave responsibility, but at the same time a unique opportunity for high constructive statesmanship. By the manner in which we decide it, we as a nation will be judged at the bar of posterity. The time has never been more propitious and the opportunity, if missed now, may never recur. I refuse to think that we shall not rise to the occasion. If we approach it in the right spirit, a constructive solution is, I am convinced, possible. May I then conclude with a plea that the whole question may be raised above the sphere of political controversy, and considered in the calm, earnest and dispassionate spirit in which alone a lasting settlement may be reached.

*Summary of Discussion.*

SIR HENRY LAWRENCE asked the meeting to consider the broad principle: Should Indian States be preserved or should they be abolished? The Gaekwar of Baroda, in an address to the Viceroy of India in 1931, had said:

"In many fields of activity—mass education, reorientation of indigenous culture, social legislation, devising of methods for associating the people with the administration, reconciliation of communal and other conflicting interests—States with their distinctive traditions can embark on useful experiments."

Great Britain valued highly the opportunity for experimentation given by her system of local self-governing bodies, and an analogy could be drawn between those bodies and the Indian States. Another field of experiment from which England might draw advantage was in the provision of finance for the development of the countryside; some of the Indian States still retained special systems of financing rural activities. A distinguished Indian statesman serving an Indian Prince had expressed the opinion that the continual pressure of the Government of India for the abolition of State currencies was a measure of centralisation which should be strenuously resisted. An illustration of the connection between these experiments and home problems was to be found in the work of the Homecraft Association for the Relief of Unemployment which aimed at organising a system of barter for men who were short of cash and credit. Professor Scott of Cardiff, the moving spirit in that Association, had written:

"The economics of the smaller group is a subject which has largely missed the notice of economists. The principles which govern its possibility and prosperity have not been worked out."

Again, in France during the War, when all currency disappeared, the life of the villages had been carried on by means of Communal notes. Yet a high authority in finance at Geneva, when asked whether the League Secretariat had investigated such methods and issued any literature, had replied that the subject did not interest them.

Another point worthy of attention was the proposal for a system of indirect election through representatives of groups in the villages of India. For some years he had been advocating a scheme for introducing this. The method had been adopted by independent rulers in Turkey, 'Iraq and Egypt, and was working well. The Lothian Committee had rejected the proposal on the ground that "every Provincial Government and Provincial Committee was against it." But the scheme so condemned was totally different from the scheme recommended by the Committee of the Royal Empire Society, of which he had himself obtained approval in 1930. The Joint Select Committee could not be expected to reject the views of a Government Committee in favour of an alternative scheme supported by nothing but arguments of reason, justice and fair play; but it was open to any ruler in the Indian States to experiment with that scheme of adult suffrage through indirect elections and to demonstrate its advantage in overcoming the terrible dangers of illiteracy and communal strife. Here again the Indian States might save India.

The preservation of Indian States was, for these reasons, necessary to the welfare and progress of India. They had provided opportunities for ambitious and capable Indians to exercise their talents and to demonstrate to their countrymen and to the world that Indians were capable of administrative power and could produce statesmen of a high degree of intellectual achievement. The annals of Indian military history gave many instances of leaders whose exploits proved them to be men of courage and ability; the present rulers, often descendants of those warriors, possessed in large measure the loyalty and affection of many millions of the martial races of India. The Rajputs, the Sikhs and the Mahrattas, not to mention the Moslems, had not forgotten their warlike traditions. Their States formed an almost continuous line from the north to the centre of India, but did not cover those areas on the east where political agitation was most rife. If there should be explosions of violence, the Indian Princes with the Indian statesmen around them, provided the new Constitution offered them terms suitable to their history and dignity, would be the most powerful factor in maintaining law and order and in securing the preservation of India as a willing partner in the British Commonwealth.

SIR STANLEY REED said that he was a convinced, uncompromising and unrepentant federalist, for reasons which had been developed that evening. The lecturer had said that India was one geographically but

two politically; there could be no permanence in such a system, especially when they considered how closely many of the Indian States were interlaced with British India. Sir Henry Lawrence had asked whether the Indian States were worth preserving. The answer of any who knew them must be an unqualified affirmative. Indian polity must therefore be directed to their preservation. It was often said that the cardinal objective of a federal policy in India dated from the issue of the Montagu-Chelmsford Report. It was far older and might be traced to the day when Lord Curzon laid down office. Once his dynamic personality was removed, it became obvious that the great Provinces of British India, many of them larger than European States, with a wide diversity of race, custom, social and economic development, could not remain pale shadows of a central government. Their future was as self-governing States, associated with the Indian States in a federal system.

It was sometimes said that the Indian States, sovereign and autonomous, with their autocratic rule, could never be linked in an effective federation with the responsible Provinces of British India. But they must be careful how they used that term "autocratic." Sir Harcourt Butler, whose administration of the Foreign and Political Department of the Government of India breathed new life into those dry bones, would agree with him in saying that one of the strongest forces in the Indian States was the dynastic system; every Ruler had to consider how he was going to hand his heritage to his successor. This induced a sense of responsibility possibly even greater than that of the transient British administrator. Under that semi-autocratic system many Indian States had made immense progress, the standard of administration being flexible and efficient, and the standard of literacy high. It was his confident belief that the association of the representatives of the Indian States with those of British India in the Federal Legislatures would produce a reflex action on the States themselves, tending to bring them into closer harmony with the progress of events and ideas in British India. Further, another great argument in favour of federation was that it would bring into the Federal Legislatures a leaven of administrative experience. Inevitably under the present system, the wealth of talent and experience of the administrators of India was lost to the country just when it was most valuable. He was convinced that if the federal scheme was wisely framed, the Princes as a body would join it, in the interests of their own Order and of India as a whole; even the dissidents had told him that if federation was established they would feel impelled to come in. But it was absurd to say that although federation was a good thing, it should be postponed to an indefinite date. This tide in Indian affairs could not wait; if the present opportunity was lost, in all human probability it would never recur.

LORD STRABOLGI asked why it was that in the Indian States the Princes seemed able to maintain efficient troops on the oriental standard without the aid of more than a few European officers as instructors,

when in the Indian regiments of His Majesty's Army an interval of forty or fifty years was to elapse before even a Division officered entirely by Indians could be considered.

In the first phase the reformers had painted the Indian States as models of what could be done by Indians when they had opportunities; Baroda and other States had been quoted as well ahead of British India in education, public services, and the prosperity of the people. This was used as an argument for giving Indians greater power to work out their own destinies. In the second phase, the reformers pointed to the Indian States as corrupt oligarchies and autocracies of the most inefficient kind which ought to be swept away. In the third phase, the Indian States were being held up as the great bulwark against a too rapid advance along the road to democracy. If it was really intended to bring in the Indian States as a safeguard for British interests, it might not be possible in practice to have units with a democratic system on the one hand and units with non-democratic systems on the other in double harness.

An expression of opinion from a source which he greatly respected was that Britain had made a great mistake one hundred and fifty years earlier. She should then have extended and improved the system of rule by hereditary dynasties and have adopted indirect rule through the rulers, as had been done successfully in other parts of the world. Instead she had imposed a magnificently efficient but soul-destroying bureaucracy, which had performed wonders but would end in chaos.

Mr. Yusuf Ali felt sure that unless there was a federal constitution it would be difficult to provide for the growing autonomy of India which was under consideration by the Parliamentary Committee, but the real difficulties with regard to the Indian States had been not sufficiently studied.

The Indian Princes had for a number of years been asking for a clearer definition of " supremacy " or " paramountcy " or of the powers of suzerainty. The Princes who wished for federation did not know exactly where they would stand in that respect. There had been much dissatisfaction in the past, in Indian States, with the manner in which " paramountcy " had been interpreted and applied in practice. Sir Frederick Sykes had said that they would deal as members of the Federation with the Federal Government, and in other matters with the Viceroy, but they had not enough light as to the policy that would be pursued in the matter of " paramountcy," and they needed assurance that it would be an advance on the older policy, which had been in some respects misunderstood and in other respects inconsistent with what they considered to be their treaty rights.

It was also very difficult to come to any workable agreement with regard to the relation of the Princes to the all-India problems of railways, ports, customs, etc., so long as the Princes wished to retain their own customs laws and systems of taxation and to develop their own ports in accordance with their position as autonomous units.

Sir Frederick Sykes had spoken of two Indias, a formula often used, but it hardly represented the complexity of the problem. There was the single large unit of British India and more than three hundred and fifty Indian Indias. Each State must be considered as a separate unit. One of the great difficulties was that the States could not agree as to their mutual status. No scheme yet put forward had been perfectly just to all. Sometimes they were divided into big States and small States, but there was no such sharp line of division. The small States were as tenacious of their privileges as the large. When the Federation came, each State would have to make its own separate Instrument of Accession. A scheme of federation must be devised which would be acceptable to each of the States as well as to the British Provinces, but so far no scheme had been devised that would work satisfactorily from both points of view.

Then there was the question of the right and power of secession. British opinion was strongly against the reservation of the right of secession at will, or even on certain conditions. It was difficult to see how a stable federation could be established if dozens of units in it could threaten secession at any time. On the other hand, it was most important to remember that the proposed Indian Federation was unlike any other federation in constitutional history. The States felt—and they were right—that it was a leap in the dark, and they could not be blamed for wishing to keep the doors of withdrawal open. Here was a direct conflict of views.

A satisfactory definition of paramountcy, a reconciliation of economic interests, and a scheme of political safeguards with possibilities of a reversion to the *status quo ante*, were conditions for a satisfactory and practical working of a federal constitution which included the States. They might eventually have to consider a federation of British India alone.

Sir Lionel Haworth was totally opposed to all the previous speakers. He was amazed that anyone could even discuss the possibility of sweeping away the Indian States, when Great Britain was bound by treaty to support them and had recently protested at Geneva against Poland's breaking unilaterally an agreement which she had made. In 1909 the Viceroy, Lord Minto, had declared that Great Britain would not interfere in the internal government of the Indian States, provided they on their side kept their bargain to rule sufficiently well. When that bargain was not kept Great Britain had had to intervene. Those who discussed the question of federation and supported the White Paper were entirely neglecting the opinion of a vast body of men who had served in India and given their lives to it but who also believed in the Empire. He was shocked at the suggestion that the question of the government of India should be put above that of Great Britain's Imperial heritage; the question of India was part of the Imperial question and to separate them was to be false to the Empire that had given the world civilisation. It would have been

impossible to have talked of federation and such ideas forty years earlier, and that it was now possible was due to the soul-destroying bureaucracy that Lord Strabogli condemned. Was their work finished?

The crucial question, as pointed out by Sir John Simon, was the entry of the Princes, without which for him the White Paper had no existence. It should be noted that in the proposed Parliament there would be only eight members out of 375 representing what used to be called the ruling race. Was this not absurd? To undertake such an experiment in face of the unsettled communal question would inevitably lead to bloodshed and chaos equal to that which existed when the British first went there.

A Mahommedan member of the Round Table Conference had said that Mahommedans had ruled India for seven hundred years and were not going to let the Hindus rule them through the ballot boxes given by the British. In Kashmir, an Indian State which had no British officers, the Government found that when the communal question arose, British officers had to be appointed to set matters right. They had the same experience in Alwar. And what of Cawnpore? What would happen when there were no British officers in control to keep the peace? The experiment was not a risk, as Mr. Baldwin had said; the result was a certainty.

MR. J. C. FRENCH referred to Sir Frederick Sykes's statement that Indian Princes were autocrats. Mr. French said that to be an autocrat was no easy job. An autocrat had to be hardworking, capable and energetic, and in India he must enjoy sound physical health, to enable him to get about and see for himself how things were going. There were Princes who coped successfully with their onerous duties and worked as hard as any zealous official in British India. But they were not all equal to this difficult task, and when they failed the Paramount Power had to go to their assistance, if necessary, with British troops. Recent examples were the States of Nabha, Kashmir and Alwar. Sometimes the British Government assisted a State by removing a ruler who was unable to cope with the responsibilities of his position. Recent examples were the States of Indore, Nabha, Bharatpur, Alwar and Jhabua. Sometimes help was afforded by supplying a ruler of a State with British officers to help him to put his administration right. Kashmir State in 1932 was an instance of this. As long as Indian Princes required assistance and support of this kind, they could not be expected to give other people much assistance and support. Their willingness and loyalty were not in question, but they could not do more than was in their power. They could not, therefore, be regarded as a bulwark in the new Constitution. Lastly, there was the point which Lord Strabolgi had glanced at, the paradox of introducing into a Constitution, professedly parliamentarian and alleged to be a step on the road to democracy, a number of autocrats to prop up and support it.

SIR FREDERICK SYKES said, with regard to Sir Henry Lawrence's remarks on indirect election, that he had always held that some form of representation from the village as a community would be the best way to handle the problem.

He agreed with Lord Strabolgi that many of the Indian State troops did well without European officers, but they naturally varied in efficiency from State to State and did not enjoy the same advantages of training as the regular army. They were, in fact, second-line troops. If it were possible to put back the clock by a hundred and fifty years, Great Britain would doubtless, in the light of experience, act differently, but it was useless to dream of what might have been done; the problem had to be dealt with as it was.

Mr. Yusuf Ali had agreed with him as to the immense difficulties and complexities of the whole problem and as to the necessity for understanding the Indian States' point of view. Mr. French and Sir Lionel Haworth had taken a negative attitude. But merely negative or destructive criticism was of little practical value. Great Britain was pledged to go forward, and the question was mainly one of the extent and pace. Sir Lionel Haworth had used the words "ruling race": the new Constitution would be based upon the principle of cooperation. Of course there were risks, but, equally, there were risks in doing nothing. He appealed to everybody, of whatever shade of opinion, to try to think out constructive methods for meeting the situation.

Sir Lionel Haworth had also suggested that the Princes were anxious to have a back door by which they could escape from federation. He (the lecturer) had pointed out in his address that the Instrument of Accession once signed was irrevocable. As regards legislation, no Bill would become law until it was signed by the Viceroy, who would have, on the other hand, the power to certify a Bill if necessary. In the event of a deadlock he thought it was necessary for the Viceroy to be given extensive powers to enable him to carry on the Administration.

Finally, it was unfair to suggest that those who were in favour of the Reforms did not believe in welding the Empire together, and did not value the Empire because they tried to view the whole question on a plane above politics. If the problem of India could be solved, a solution would have been found, not only to the greatest of Britain's Imperial problems, but to the greatest constitutional problem which the world had faced. The whole object of the proposed legislation was the betterment of India and the satisfaction of her legitimate aspirations, and, thereby, the strengthening of the Empire as a whole. Surely it was better for all to pool their views and try to help in finding a constructive solution.

# AN AMERICAN VIEW OF FAR EASTERN PROBLEMS[1]

By PROFESSOR QUINCY WRIGHT

THE best title to my remarks this evening would perhaps be " An American's Opinion of the Far Eastern Problem." I stress the word " an " because I am not professing to express the attitude of the 130 million American people. Many of the things which I shall say will be my personal opinions. I will attempt to distinguish those from my expressions as to what the attitude of the United States, as a whole, may be.

Perhaps it would be well to give a very brief historical résumé of American policy in regard to the Far East. In the United States interest in the Pacific began with the foundation of the United States under the constitution; one of the first acts of President Washington was to give his blessing to a ship going around Cape Horn to China. In the early days of America the Far Eastern trade was of very great importance, and many New England fortunes were made in this way. So, naturally, the first interest of the United States in the Far East was commercial. That interest later developed into an interest in investments, but in the more recent period neither the trade nor the investments of the United States in the Far East has been as important relatively as was the trade in the early period. In effect, from an economic point of view the United States has been less interested in the Far East during the last fifty years than she was in the preceding fifty years.

Our second interest in the Far East has been in missionary activity, an interest which has been extended through the numerous educational institutions which American philanthropy has founded in China. This interest is more important in shaping American policy to-day than is the commercial interest. Missionaries are vocal and the educational institutions in the Far East exercise an influence on American opinion.

Finally, since 1898 the United States has had a territorial interest in the Far East, with the acquisition of the Philippines, Guam, Samoa and the Hawaiian Islands. That means that

[1] An address given at Chatham House on November 13th, 1934, Professor C. K. Webster, Litt.D , F.B.A , in the Chair.

politically we have had an interest. I think it should be said, however, that the interest in these territories of the Pacific has been because they have been looked upon as a means to the end of obtaining Chinese trade and of the expansion of cultural influences in China rather than as an end in themselves.

At the present time, as you know, the Congress has passed a law for the emancipation of the Philippines, showing that our intention to give them independence, pronounced by President McKinley and later by President Theodore Roosevelt and President Wilson, was more than mere words.

These three types of interest which we have had in the Far East—commercial and economic, missionary and cultural, political and territorial—have developed certain traditional policies towards the Far East. The most important of these is that which we characterise by the words "The Open Door"—meaning that there should be an equal opportunity for trade and cultural enterprise in the Far East among nationals of all countries.

The United States did not enter the Far East alone. Other countries were there with commercial and economic interests beforehand, and there has never been a time when we desired more than an equality of interest. But the demand for equality was insisted upon in our first treaty with China in 1844. The "open door" principle was included in that treaty, not in those words, but as a most-favoured-nation clause. Subsequently, in 1899, this principle was given more weight in the exchange of Notes between Secretary Hay and the Great Powers. In 1922, for the first time the principle of the "open door" in China was incorporated in a formal treaty. Thus this policy of the United States—originated nearly a century ago—has gradually been accepted by the principal Powers interested in the Far East.

Closely associated with the policy of the "open door" has been the policy of maintaining the territorial integrity of China. This policy arose out of the disturbances of the Boxer Rebellion, when it looked as if China would be divided between the different Powers, and the United States, desiring to retain a free opportunity to trade and realising that with the division of China she might easily be barred, insisted that the territorial integrity of China be respected. This was accepted by the Powers in the protocols which followed the Boxer troubles. The formula was also included in the Nine-Power Treaty signed at Washington in 1922, so there again we have a policy which has received general treaty acceptance.

Finally, as the third element in American policy towards the

Far East, we may notice an inclination to cooperate with other Powers in regard to the maintenance of these principles in the Far East. In this respect our Far Eastern policy has been quite different from our policies in respect to Latin-America and to Europe. In fact, it is common in American text-books to distinguish three great regional policies of the United States—towards Europe a policy of isolation, towards Latin-America one of domination and towards the Far East one of cooperation with the other Great Powers. It is to be noted, however, that this policy of cooperation has not been carried out entirely consistently. There have been times when we have acted wholly independently. For example, in both the first and second wars against China, in 1839 and 1858, the United States did not cooperate in the military activities, although we made treaties which gained for us the privileges which other Powers obtained as a result of those wars. It is also true that we acted independently in negotiating certain arrangements with Japan regarding the Far East. In 1905 a secret agreement was made with Japan in which we undertook not to interfere with Korea if she left the Philippines alone. Also in 1907 we made a special agreement with Japan—the so-called Root-Takahira Agreement—in which the principle of the "open door" and the territorial integrity of China were declared, but being a bi-lateral agreement it implied that these principles were peculiarly under the protection of Japan. In 1917 the Lansing-Ishii Agreement with Japan went even further in recognising that territorial propinquity creates special interests. Thus there have been occasions when the United States has acted independently, but in the main there has been a considerable degree of cooperation with the Great Powers in regard to the Far East, especially during the periods of Secretary Seward in 1865, of Secretary Hay in 1899, and of Secretary Hughes in 1922.

The maintenance of these policies, however, has resulted in characteristic differences of approach during the various periods of American Far Eastern relations, particularly because of the different countries that the United States felt were most likely to encroach upon these policies. Thus before 1895 the problems lay mainly in the relations of the United States to France and Great Britain. Both France and Great Britain made war with China on several occasions. The United States maintained friendly relations with China during the wars and negotiated afterwards with the primary object of preventing special privileges being accorded to those Powers as a result of the war.

From 1895 to 1905 we felt that Russia was the country most likely to violate the principles which we held in regard to China, particularly in regard to Manchuria. During that period there was a certain favour towards Japan as being a possible instrument that the United States could use for maintaining China's integrity as against possible Russian aggression.

After the Russo-Japanese war the situation was different. Since 1905 we have looked upon Japan as being the country which was most likely to violate these principles. Thus it is possible to interpret American policy since 1905 as being a contest between the United States and Japan—a contest in which sometimes one and sometimes the other has come out best.

President Theodore Roosevelt felt that Far Eastern problems were necessarily involved in world politics, and being a person of vigorous disposition he was willing to sacrifice the traditional American attitude of keeping out of European affairs if entry into them would seem to assist in maintaining our traditional Far Eastern policy. There is a certain relationship between Far Eastern problems and President Roosevelt's initiative in calling the Algeciras Conference which dealt with Morocco. President Roosevelt was at this time acting very closely with the German Emperor in the effort to maintain the "open door" in China and the territorial integrity of China; in fact a definite treaty was suggested between the United States, Germany and China.

This policy, however, was not carried out. President Roosevelt sent the United States fleet to the Far East in 1907 as a warning to Japan. The fleet came back intact and President Roosevelt proceeded to make the Root–Takahira Agreement, saying that the making of this agreement was evidence that the sending of the fleet had been a wise diplomatic move. The correspondence which one finds in the German documents published since the World War gives a very different interpretation to that event. The interpretation is that President Roosevelt sent the fleet across the Pacific in order to bluff Japan and that Japan intimated to him that he had better take the fleet back very soon or it might be sunk. Roosevelt brought it back and Japan then insisted that the Root–Takahira Agreement should be made. It was made and Japan felt she had gained a victory. The German Emperor accepted the latter interpretation and indicated that he considered the Root–Takahira Agreement in direct conflict with the line of discussion that Roosevelt had been carrying on with him during the preceding months and a complete

sacrifice of American policy in the Far East. This occurred near the end of Roosevelt's Administration.

President Taft had a different policy in the Far East; a policy which did not relate Far Eastern problems with the general world problems of Europe. He wished to neutralise the Manchurian railways, and possibly this proposal was intended to develop into a political neutralisation of Manchuria. The proposal was made through Notes to the Powers. It resulted, however, in a complete failure from the standpoint of American policy. The Japanese and Russian Governments had got together after their war and had virtually divided Manchuria into spheres of influence. Both intimated that they would have nothing to do with the proposed neutralisation of the Manchurian railways. At the time, Great Britain being an ally of Japan and France being an ally of Russia, there was no possibility of President Taft getting support from any other quarter, so the proposal died.

The Wilson Administration came in with no definite plans on the Far Eastern problem and very pressing necessities in other quarters of the world, particularly in Mexico. Consequently, Mr. Wilson paid little attention to the Far East. In fact, he was probably rather surprised when it appeared in 1915 that Japan had presented twenty-one demands to China which tended to endanger the territorial integrity of China. He did nothing except to declare that we would not recognise any treaties or arrangements which might be made between Japan and China which violated the treaty rights of the United States—a statement which was the direct predecessor of the Stimson Doctrine.

The Far Eastern question arose again in the Peace Conference of Paris in 1919, and President Wilson gave way on the Shantung issue because he was afraid that Japan would withdraw from the Conference if he did not do so.

Thus during the World War Japan seemed to be going far towards violating the principles supported by the United States in respect to the Far East. Japanese troops continued to reside in Siberia years after the troops of the other allies had withdrawn. It was not until 1922 at the Washington Conference that American policy registered a definite triumph. The formal treaty then signed, recognising the principle of the "open door" and the territorial integrity of China, was subscribed to by the principal Powers of the world, including Japan. It is true that certain sacrifices were made. The possibility of American naval action

in the Far East was hampered by the demilitarisation of the Pacific islands and the naval ratios which were established at the Conference.

These various methods which have been used to maintain American Far Eastern policy were given a new turn in the serious crisis of 1931, when again the principles were challenged by Japan. I think it is fair to say that Japan had abided faithfully by the principles of the Washington Treaties from 1922 up to that time. It would be unwise to assert that Japanese loyalty to these principles had not been genuine during that period, in spite of certain incidents. Some would say that Japan had never intended to abide by the Washington Treaties, but was merely awaiting a favourable opportunity. It seems to me that the policy of meeting the Japanese population problem through developing friendship with China and the United States and through maintaining the policy of the "open door," was the genuine policy of the group which controlled Japanese politics during most of this time. A different group came into control in Japan after 1931 and a different policy was followed.

In a general way, why was it that the American effort, coupled with the effort of the League of Nations, to maintain the principle of the territorial integrity of China in 1931–1933 failed? I think one important reason is that the United States did not see sufficiently clearly the moral and economic necessities of Japan. The Japanese had felt very keenly the failure to obtain the incorporation in the League of Nations Covenant of the principle of equality of races. They were even more chagrined at the American Immigration Act of 1924. These incidents were looked upon by the proud Japanese people as implying a moral stigma and together began to undermine the genuineness of the Japanese subscription to the principles of the Washington Treaties. Also the United States failed to realise the economic necessities of Japan. In 1928 a long document was presented to Congress from groups of Japanese merchants calling attention to certain Japanese exports to the United States which they felt were non-competitive with United States products, and on which they desired that the tariff should not be raised. Congress ignored this and raised the tariff on many of the items. Japan had felt that a development of her exports and manufactures, especially in the United States, was essential and this incident illustrated that she could expect no assistance or cooperation from the United States Government in this matter; rather, if Japanese manufactures should appear to be advancing in the

American market, that Japan could expect that the tariff would be raised. I think that if the United States had paid more attention to what I call the moral and economic necessities of Japan, possibly the Japanese loyalty to the Washington Treaties might have been maintained.

In the second place, we did not go the whole way in a co-operative policy for maintaining these principles. We did co-operate in the Washington Conference; and the Nine-Power Treaty contained a provision for future conferences. The United States, however, has not joined the League of Nations. It has not sufficiently realised that it is difficult to limit your cooperation with Powers in certain parts of the world and expect from them full cooperation in other parts of the world. The difficulties of qualified cooperation were clearly manifested when in the crisis of 1931 we tried to develop an *ad hoc* cooperation with the League of Nations for the preservation of our principles in the Far East. Japan was able to profit by the fact that there was not complete solidarity between the United States and the members of the League. The Japanese Ambassador at Washington was persuading Mr. Stimson that the best policy was to do nothing. Mr. Shidehara was a friend of the United States and, if nothing was done to lower his prestige in Japan, eventually everything would be all right. Mr. Stimson was apparently "sold" on that doctrine for a time and declined to give support to the suggestion which was being discussed in the League of Nations—that a Commission should immediately be organised in Manchuria to report on whether Japan's claim was justified that troops were beyond the railroad zone in Manchuria owing to a defensive necessity. At any rate, the Commission was not established until much later, long after Japan had occupied the whole of the territory.

I think this incident illustrates that *ad hoc* cooperation with the League of Nations is a very unsatisfactory kind of relationship for the maintenance of peace.

The third reason for the failure of American policy was that we did not realise the change which had taken place in the military balance of power in the Far East. Japan had become very much stronger in a military and naval sense, relatively to other Powers in the Far East, than she had been before the Washington Conference. China and Russia had become weakened in military strength as a result of internal revolutions. The Naval Powers were exhausted by the World War and were not desirous of taking any positive action in the Far East. The result was that

Japan realised better than anyone else that no one was prepared to contest, in a military sense, any action she might take on her own account. Furthermore, the changed balance of naval power had seriously altered the position of naval bases in the Far East. The United States had acquired the Philippines in a large measure for promoting American policy in the Far East. With the development of Japanese naval power the Philippines had become a possible hostage. American policy would have been stronger in the Far East if the Philippines had been given independence long before.

Finally, I think that the Government of the United States did not realise the comparatively slight interest which American public opinion really took in the Far East. It is true that we had these traditional policies and American opinion is always favourable to carrying out ancient traditions, but as the Far Eastern crisis developed it was clear that the people of the United States were far more anxious to keep out of any war than to carry out any policies whatever in the Far East.

There were times in American history, particularly in the 1850's and 1860's, when American opinion would support military and naval expeditions in the Far East. This was even true in the time of Presidents McKinley and Theodore Roosevelt, but in 1931 American opinion would not support any positive action for these principles.

What is American policy going to be in the future? Will the failure of American policy in 1931 mean a change in that policy? Are we going to abandon the "open door" and the territorial integrity of China? I do not think so. I think the United States will continue to insist upon these principles. It is to be noted that the United States departs from established traditions in foreign policy with very great difficulty. This is due partly to the fact that the interest of the American people is far more in domestic matters than in foreign affairs. Therefore, if policy is established as a tradition they are likely to continue to give at least lip service to it. Thus, for many years we can expect that these policies, which are now traditions, will continue to be regarded as American policy with respect to Far Eastern matters.

Furthermore, I think there is a very definite belief on the part of the American people in the principle on which these policies rest. We believe in peace. There is a very whole-hearted subscription by the American people to the Kellogg Pact. It is true we may be more willing to subscribe to peace than to take the measures necessary to preserve the peace. But theoretically the

belief in peace is very definite and there is a feeling that the policy of the " open door " and the territorial integrity of China, which are closely allied to the policy of self-determination, are contributions to the maintenance of peace in that area. I think that American opinion is very dubious as to whether the Japanese effort to modify the status of Manchuria will result in permanent tranquillity; in fact, we are of the opinion that it is likely to have the reverse effect. Rather than viewing the crisis of 1931, and since, as being a reason for changing our fundamental Far Eastern policies, American opinion looks upon it as being possibly an indication that the methods used in that instance were not the best. Thus we may modify our methods for carrying out the policy of the " open door," but we will not abandon the policy itself. There have been various methods used in the past. Roosevelt, Taft, Wilson, all used different methods, and Mr. Stimson again used a different method. So it is quite possible that in future circumstances the United States will use different methods still. Is it possible to anticipate what these methods will be in the future?

We have to recognise that there is a great deal of confusion in American opinion as to what the best methods for carrying on foreign policy are—a confusion which has continued to exist since the great struggle over the League of Nations in 1920. There are still isolationists and cooperationists; there are still regionalists and universalists; there are still militarists and pacifists; and to find any common agreement on the best methods for implementing policy in the Far East among these various views is exceedingly difficult. It is also to be observed that the present Government of the United States—and this has been true of nearly all governments in the United States—is far more interested in domestic matters than in foreign matters, and thus the development of methods for carrying out foreign policy is likely to be delayed by more pressing exigencies of domestic policy.

In the United States the influence of private organisations which attempt to create public opinion on matters of foreign policy is of very great importance. In the United States, more than in other countries, the Government puts its ear to the ground when problems of foreign policy are presented. It prefers to do what it is convinced opinion will support rather than to lead opinion to support what it thinks the necessities of the occasion demand.

I am going to read a few passages from a recent pronouncement

by ten professors at the University of Chicago.[1] This document does not purport to express the attitude of the United States on these questions; nor does it attempt to state the attitude of the Middle West on these problems. It does, however, represent the deliberate opinion of these ten professors on what American foreign policy should be. This document says with respect to Far Eastern policy:

"It is, therefore, suggested that the doctrine of the 'open door' and of the territorial and administrative integrity of China be maintained; that general consultation under the Pact of Paris be utilised to maintain these doctrines; that changes contrary to these doctrines, including the establishment of 'Manchukuo,' be recognised only as a result of general agreement resulting from such consultation; that extraterritoriality in China be relinquished by general agreement of the treaty Powers, and that Oriental immigration be regulated by the quota system" (p. 60).

I will add a paragraph from the same document which deals with the policy of disarmament, as that has direct relation to the Far Eastern policy:

"It seems advisable, therefore, that the United States continue to seek a general agreement, which will distinguish between the defensive and police components of national armaments; which will limit defensive armaments of each State to those necessary for defending its territory, and prohibit offensive armaments in order to make the invasion of another State as difficult as possible; and which will provide for adequate periodical international inspection of all armaments" (p. 21).

I will give my opinion of American Far Eastern policy in the immediate future by commenting on these statements. In the first place, I think we will adhere to the Stimson non-recognition doctrine. I understand there has recently been some discussion about this doctrine in *The Times*. I think we will maintain it for several reasons. We regard ourselves as pledged to it. It was supported by the members of the League of Nations through a Resolution of the Assembly. It would seem to be a breach of obligations if any of the States should recognise the changed situation without general consultation among all of them. We declined to recognise Soviet Russia for a period of sixteen years, and it would seem that here, where there is a more definite principle involved and less material interests to be affected, we could

[1] *An American Foreign Policy, toward International Stability.* A memorandum prepared under the auspices of the Norman Wait Harris Memorial Foundation. University of Chicago Press, 1934.

be expected to go on at least as long in the non-recognition of "Manchukuo." Non-recognition is an evidence that we continue to adhere to the principle of the territorial integrity of China. It is also true that we do not regard the situation in the Far East as being by any means stabilised. Changes are taking place in China, changes are taking place in Russia, changes are taking place in Japan. It would be reasonable to maintain this policy at least until one is certain that the situation in "Manchukuo" is stable. So I think that will be one element of our Far Eastern policy, and will go on for some time.

Secondly, and here I speak with a good deal more doubt, I think we will be inclined to extend an olive branch to Japan in matters of trade and immigration. This inclination may be somewhat slow to develop into material acts, but I think that the policy of making reciprocity agreements for the promotion of trade will be pursued with respect to Japan as well as to other countries. It is possible that reciprocity arrangements can be made whereby the export of Japanese manufactures to the United States can be increased. There is an agitation in California for a revision of the Immigration Law, putting Japan on the Immigration quota. It is, of course, recognised that this is a moral rather than an economic question. There are so few Japanese in the United States that if they were put on the quota like other countries, there would be less than 200 Japanese allowed into the United States each year. It would not seem as if that would flood the United States nor would it assist Japan in meeting her population problem, a problem of providing for an increase of nearly a million each year. It is rather a question of meeting the moral necessities of Japan. Japan has resented bitterly being treated differently from the European countries in the American Immigration Law, and there is every reason to modify this law.

Both of these policies—that of giving Japan reciprocity and of modifying the Immigration Law—would meet with opposition from influential quarters.

Thirdly, I think the United States will await with expectation, and will assist whenever the opportunity offers, a restoration of the balance of power in the Far East. The "balance of power" has not been a term of praise in the United States. We thought when we made the Monroe Doctrine that we were reading ourselves out of the European balance of power. However, a study of our Far Eastern policy, particularly in the time of President Theodore Roosevelt, shows that we clearly recognise the balance of power as a factor. In fact, Roosevelt's intervention in the

Portsmouth Conference was intended very definitely to preserve the balance of power in the Far East between Japan and Russia, and subsequent efforts have had a similar motivation. Now it is probable that if the balance of power is to be restored in the Far East, it will be through the development of Russian and Chinese power. The position of the overseas Naval Powers in the Far East will probably be far less important in the future than in the past. I am inclined to go a long way with the thesis of Mr. Owen Lattimore, which holds that the period of about a century from 1830 to 1930 during which the Naval Powers dominated the Far East was a brief interim in history. Before that period China was dominated by land forces from the north, and probably will be dominated by such forces after that period is over.

The reason for this is the development of the Japanese naval position. The situation is paralleled by that of the Caribbean. There was a time when the great Naval Powers of Europe held the balance of power in the Caribbean. In the 1890's, when the American White Fleet was developing, it was realised that the United States, even with a navy inferior to several European Powers, could dominate the Caribbean, and consequently naval strategists in Europe took less interest in the Caribbean. I think we might as well recognise that that is the situation in the Far East to-day. Japan is in a naval position which would make it suicide for any of the Naval Powers individually, or even for several of them in combination, to attempt to contest Japan's position in the Far East operating from bases that are far distant.

Thus, the Far Eastern balance of power will be primarily a problem between the land Powers of Asia. Russia is developing rapidly in population and in military strength in Siberia, and the time will come when Japan will find that her will in the Orient will be checked by the fear of a Russian advance. The United States was motivated undoubtedly to a considerable extent by this feeling when she recognised Russia. This change of our policy of sixteen years was brought about less by considerations of trade and of finance than because we wished Russia to develop more power in the Far East as a means of stabilising the balance of power there.

The policy of strengthening China so that it will itself offer resistance to invasion, so that it can itself assist in maintaining its own territorial integrity, has, of course, always been an American policy. When China was severely weakened as a result of the Revolution, the United States desired to strengthen her by

educational and other methods, but soon realised that this strengthening would be a slow process. American cooperation can, however, be expected with any movement, through the League of Nations or otherwise, which will assist the Chinese people to coordinate their activities and develop greater political unity and power.

We are going to get rid of the Philippines. That seems to be a definite American policy. It will mean that the application of economic sanctions will become more practicable than was the case when the American people felt that such action might result in involving them in a sudden war to defend the Philippines against invasion.

The problem of maintaining the balance of power in the Far East is, however, involved to some extent in the disarmament agreements. I do not think any disarmament arrangement can be made voluntarily which will prevent Japan having a dominant naval position in the Far East. I think, however, that the position can be stabilised through proper naval agreements. Such agreements are under discussion now. The Conference will presumably occur next year, and if one judges by the Press, the prospects of success are not very great. It seems to me that they will be practically nil unless the formula of quantitative ratios is seriously modified. I see more hope in the application of the policy which the United States stood for in connection with land armaments at the Geneva discussions—a policy which has been very clearly voiced on numerous occasions, a policy which Mr. Roosevelt stated not long ago in these terms:

> "Let every nation agree to eliminate over a short period of years, and by progressive steps, every weapon of offence in its possession, and to create no additional weapons of offence. This does not guarantee a nation against invasion unless you implement it with the right to fortify its own border with permanent non-mobile defences, and also with the right to insure itself through international continuing inspection that its neighbours are not creating nor maintaining offensive weapons of war." (Address, Dec. 28th, 1933.)

Strangely enough, the statements which American naval experts have made have not conformed to this policy. In fact it would seem as if our policy was to continue to regard the navy as an instrument of national policy, not merely as an instrument of defence. I think the formula which was voiced by a Japanese statesman of "equality of security" would be a far better formula and would promise far more success in the naval discussions than the "three-five-five ratio." I could talk at great length on the

disarmament question, but perhaps I have said enough to indicate my general views. There is hope in the thesis of "qualitative disarmament," cutting out the offensive naval instruments that are capable of operating a long way from their bases against someone else, and allowing each country to maintain naval instruments adequate for the defence of frontiers, but incapable of striking at long distances.

Finally, I think that the United States will be inclined to go further in the way of solidifying its relations with the League of Nations, in order that cooperation for the defence of the Kellogg Pact, as well as the principles of the Far East, will be effectual.

I am not going into this now, because I am afraid I have already over-spoken my time, but I think that the opportunity is favourable for Americans who are interested in the League of Nations to develop an opinion there, so that the Administration will feel encouraged to follow along in the direction of permanent cooperation, if not actual membership in the League.

Thus I expect that our future methods of implementing Far Eastern policy will rely more upon general international cooperation—we will less frequently look upon Far Eastern problems as purely regional. The stabilisation of armaments will also be looked upon as a problem involving all of the Naval Powers. At the same time we will maintain the policy of the Stimson doctrine and will seek to open to the Japanese ways of meeting their difficult problems not hostile to our basic Far Eastern policies.

*Summary of Discussion.*

PROFESSOR W. J. HINTON asked if he had got a right impression of Professor Quincy Wright's view if he summarised it as being that there was no power that would deliver China out of the hands of Japan; that Japan had abandoned her short-lived attempt to found foreign policy upon world agreement and had taken to the path of imperialist aggression, which had proved so profitable to Great Britain and France in the Far East; and that nothing but the rise of Russia or the strengthening of China, if Japan allowed her to be strengthened, could prevent the development of an enormously powerful Japanese Empire. The policy of the United States, it would seem, was to withdraw from the Philippine Islands in order not to have a hostage there, to refrain from interfering in and from recognising Manchukuo, and to try to induce the Japanese to remain on the western coast of the Pacific. Now this was a comfortingly long distance away from the United States, but it was very near to the British possessions. Great Britain could not withdraw from Malaya, nor the Dutch from the Dutch East Indies; both lay on the way to Australia. How did

these facts affect the probable relationship of British policy to that of the United States in the Pacific?

Mr. Philip Noel Baker asked how far it was true that the question of conquering China had been a matter of active political debate in Japan for a considerable time, there being on the one hand the Tanaka policy brought back from Potsdam by General Tanaka, and on the other hand the Shidehara policy, which aimed at strengthening China and increasing her standard of living, thereby to open up a greater market for Japanese industrial goods than could ever be obtained through the policy of conquest. It would appear that both before 1915 and between 1926 and 1932, even when Japanese soldiers were in occupation of Shantung, the Japanese Liberals actively criticised the policy of the Government, speaking of the useless waste of Japanese life and treasure in the enterprise to conquer China.

In the second place, were the militarists so firmly in the saddle as Europeans were apt to assume? It was only four years since the civilian government inflicted a decisive defeat on the Japanese Naval Staff who made a determined attempt to prevent the ratification by Japan of the Naval Treaty; and at that time a leading article in an important Japanese paper had protested against any attempt by Japan to challenge the other Great Powers on the question of ratio strength. What was the strength of opinion on that point more recently? There might be a sort of argument for the view that the naval ratio of 5 : 5 : 3 was derogatory to the interests of the Power that had to accept the figure 3, but it was not considered derogatory to the United States to have an army ratio of 1 to Japan's 6. Japan was engaged in breaking up an instrument which had conferred on the world a substantial benefit and had in all probability averted the war between the Pacific Powers which was gradually developing in the pre-Washington Conference period.

Thirdly, what was the position of the Chinese Government as compared with that of a few years earlier? It appeared to be a good deal stronger. Civil war was checked, except for the struggles against the Communists, and it was said that a good many young men, with a Western training, were working under the Nanking Government and building up a sound and effective administration. If that was true, it was the real hope for China.

A Member said that he went out to Japan nearly every year; his family had lived there for fifty years, and he had some understanding of the Japanese view-point. They did feel the isolation from the rest of the world very keenly. They had been terribly disappointed at the lapse of the Anglo-Japanese Alliance and thought that they had been let down over it. So too they felt the building of the Singapore base much more keenly than was realised. They felt their exclusion from the United States very keenly; it was not the number of Japanese who wanted to go there that mattered, but the

desire to go on an equality with other nations. It was the feeling of isolation that had driven them to take action without consulting the rest of the world. It must be remembered that it was only fifty or sixty years since Japan had first emerged from an isolation which she had treasured for three hundred years, an isolation shattered by the guns of Commodore Perry. It was not surprising that a large number of Japanese still thought along the lines of imperialistic policy. The Japanese were very sensitive to public opinion; politicians and rich men in Japan bowed down to public opinion, though it was difficult to understand how it was expressed, and in the same way Japan was sensitive to the feeling of the rest of the world.

With regard to the military party, Japan had tried democracy in the period from 1918 to 1930 and the politicians had been so corrupt and inefficient that the people had welcomed the military party. They had gradually restored the prosperity of the country and the people believed in their ideas. There was in the military party much that might be called Liberal Radical and they were modifying their views as they became educated to their responsibilities. The military men were usually less broad-minded than the naval people, but they had improved in the last few years.

The question at the back of the Naval Conference discussions was largely that of a formula of equality for defence. The Japanese could not afford to compete with Great Britain and the United States in naval armaments and they would be financially very much embarrassed if they had to do so. He therefore believed that they would snatch at any formula which yielded something to their national pride. He was convinced that peace in the Far East could best be maintained by cooperation with the Japanese.

BRIGADIER F. S. G. PIGGOTT said that when he was in Japan during the Russo-Japanese War there had been an interesting slogan, "England the Ally and America the best friend"; not only did the Japanese like the Americans almost as much as they liked the British, but the Americans then were very pro-Japanese, and were really rather jealous of Great Britain's predominant position in Japan's affections. At the time of the great earthquake in 1923 the Americans had been able to produce help more quickly than anyone else, and the Japanese had been quite overcome with gratitude for their kindness. Unfortunately, America then passed the Immigration Law, and it was interesting to note that this caused a considerable amount of anti-American feeling among the *American* residents in Japan, who expressed themselves forcibly and indignantly about it and on the deterioration in American-Japanese relations that would result thereby.

MR. A. G. LIAS said there would never be any naval agreement on the basis of a definition of offensive and defensive weapons. As one expert had said, a weapon was offensive to those who were in front

of it and defensive to those who were behind it. The British regarded the submarine as an offensive weapon, whereas the Japanese regarded them as defensive.

With regard to the naval ratios, it was derogatory to Japanese pride to state in black-and-white that Japan was only entitled to 375,000 tonnage replacement, whereas the United States and Great Britain were entitled to 525,000. But if, with a little give and take, a formula for equality of security were devised, he felt that the Japanese would accept an agreement. They did not really wish to abrogate the Washington Treaty, which gave them great advantages in many respects, preventing the United States from building naval bases which would be awkward for Japan. If the Washington Treaty were abrogated, the United States could abrogate certain others of the same group of treaties. What the Japanese did want was to change certain aspects of the Treaty, and with good-will all round an agreement could be reached.

QUESTIONS: Had President Roosevelt drawn up any categories of offensive and defensive weapons? The definition of an offensive weapon as one which could be used far from the base and a defensive weapon as one which operated near its base was not likely to satisfy the naval experts.

Could Professor Quincy Wright give a definition in terms of armaments of what he had referred to as a formula for equality of security?

THE CHAIRMAN, PROFESSOR C. K. WEBSTER, said that the United States had always tended to be more suspicious of British policy in Far Eastern matters than in any other field. In China in 1927 he had found that almost all American missionaries preached the doctrine that British policy in China should be resisted by the United States. The new British policy had already changed this attitude. Had Japan now diverted on to herself the storm which used to descend on Great Britain? Cooperation between Great Britain and the United States was of greater importance than ever before in the Far East.

Professor Quincy Wright had shown the immense difficulties of Far Eastern problems; there seemed to be no solution of the problem of "Manchukuo," no solution of the problem of armaments in the Pacific. Would a solution become easier if the political and military problems were considered together as one great complex, each depending on the other, as was actually done at Washington in 1921–1922? It was Great Britain who then inscribed China on the agenda of what was originally intended to be only a conference on armaments; would it be good policy for Great Britain to do the same again?

The statement that the Pacific was leading the United States to a new view-point on all political questions was very suggestive. It was perhaps true that as the United States took up more and more the Pacific problem, she would find it inextricable from European

problems. Her recognition of Russia was a case in point. She might thus come to play an even more important part than she had done in the past two years in the solution of those problems which were mistakenly called European. The troubles in the Pacific might thus bear fruit of great importance to the world.

PROFESSOR QUINCY WRIGHT said that he might parry the question whether anyone would deliver China out of the hands of Japan by asking whether anyone would deliver Nicaragua out of the hands of the United States. He thought that there would be an eventual release, but it would not come through the naval pressure of overseas Powers. Russia would probably become stronger and Japan's development of Manchuria would make her own position there more precarious by developing the capacity for self-determination of the forty or fifty million Chinese in Manchuria. This appeared to be the normal course of Empire, as illustrated by the British Dominions, the Spanish American Republics, and even the United States of America.

With regard to the relation between British and United States policy in the Far East and the situation of Malaya and Hongkong when the United States withdrew from the Philippines, he did not think, as was so often suggested, that the Japanese forces would immediately enter the Philippines, because of the very great British, French and Dutch interests that would be against this. The Philippines were about midway between the principal Japanese naval base and the British base at Singapore, and in a contest between Japan and Great Britain or between Japan and France over the Philippines, Japan would not be at a materially greater advantage and would have a far more difficult time than against the United States, whose nearest base was in the Hawaiian Islands. The United States did not wish to be in the position of having to fight the battle of the British, French and Dutch while they themselves were able to remain neutral. On the other hand, the United States would probably be willing to subscribe to a joint guarantee of the Philippines, which would be nothing more than an extension of the existing Four-Power Pact covering the Philippines. Japan would then hesitate very greatly before challenging them all and the islands would be in less danger than before the withdrawal.

In Japan for twenty years before 1931 it had been recognised that there were two views as to the way in which Japan should meet her population problem. Illustrations of the military policy were to be seen in the presentation of the Twenty-One Demands in 1915, in the sending of an expedition to Siberia in 1918, in the assassination of Chang Tso-lin in 1928, and in the Tsinanfu expedition of 1927, but this policy of invasion was eventually liquidated by the more pacific policy of the Shidehara Government. He had recently been told by a Chinese that the Manchurian episode was due entirely to a misunderstanding; the Chinese, knowing that Japan had often invaded China but had always withdrawn, expected her to withdraw again,

while the Japanese, thinking that China would resist the invasion of Manchuria more firmly, never expected to penetrate so far as she actually did. The thesis of a Japanese student on "The Control of Foreign Policy in the Japanese Empire," based entirely on Japanese materials and concluding with the ratification of the London Naval Treaty of 1930, had demonstrated that from 1891, when the Japanese Diet first met, to 1931, the influence of Parliament and the Cabinet had increased and the power of the military had diminished. In the instances, quoted above, where the military had acted without Cabinet initiative, they had been compelled to withdraw under pressure from the Government.

In the case of the London Treaty, the Naval General Staff advised the Emperor against ratification and the Cabinet advised him in favour of ratification, and there was a constitutional issue before the Privy Council as to whether he should accept the advice of Naval Staff or Cabinet. He took the advice of the Cabinet. In a debate in the Japanese Diet, the Opposition asked on what article of the Constitution the Cabinet relied for its authority to give advice on the question, and because the article in theory gave them the right to advise on a treaty regulating military matters as well as on one dealing with naval matters, the Cabinet refused to give an answer, knowing that it would bring on them the hostility of the military faction. The triumph of the civil government on that occasion may have been the incentive to a definite action on the part of the military to modify the constitutional trend which was depriving them of influence. For the time being the military were probably firmly in the saddle, although there was some opposition. There was a dominating loyalty to the State among all Japanese which would hinder the civil faction from opposing a stand taken by the State as a whole, as symbolised by the Emperor's endorsement, if such opposition were likely to be regarded as weakening Japan's position in the family of nations.

He thought that the Japanese opposition to the naval ratio was very definite; she would probably never have accepted it in 1922 if there had not been a very definite bloc of the United States and Great Britain in favour of it. In 1930 Japan had gained an increase in the ratio of cruisers of ten-seven instead of five-three. Japanese policy seemed to be insistent on getting a little better ratio in each successive conference, though she might compromise on something less than equality. There was a great difference between what a country would accept in a treaty and what it was willing to do in fact. The United States would not put its signature to a treaty saying it was entitled to only one-sixth of the army of the British Empire. If the formula of "Equality of Security" was accepted, the geographical position of the countries must be considered and the actual number of ships would be dependent on the requirement to assure the defence of their territories.

On the matter of land armaments there had been considerable agreement as to what constituted offensive and what defensive weapons,

If every country was allowed sufficient men in trenches with machine guns round its entire frontier, and no tanks or heavy mobile artillery, no country could suddenly invade any other. With naval armaments the problem was more difficult, and with air armaments still more difficult. It was customary for naval people to say that a navy was needed for three purposes—to defend national territory, to defend national commerce all over the world, and to defend the nation's citizens all over the world. Obviously if any nation had a navy that could defend its commerce and citizens all over the world, it had a navy that could invade any country in the world. Defence must therefore be confined to territorial defence, if a formula was to be obtained. The problem of defending commerce and citizens abroad must be left to the régime of law and international action, rather than included in the problem of naval defence.

It was probably true that Americans, especially missionaries, in the Far East had been suspicious of British policy. The explanation was that American policy in the Far East had been more dominated by the cultural interest than by the economic interest, whereas British policy was more dominated by commercial interests. It was natural that missionaries viewing the problem from the cultural standpoint should sometimes dislike the attitude of merchants looking at it from the economic point of view. This was accentuated after the Russo-Japanese War by the fact that Great Britain was an ally of Japan. Until then the United States had worked closely with England in support of the open door policy. After the War, when Americans began to look with suspicion on Japan as the most likely country to violate American Far Eastern policies, that suspicion was reflected to Japan's ally, Great Britain, until 1921.

The problems of the Pacific would certainly be easier to solve if they were considered all together. There were some problems which it was best to isolate, but problems of disarmament and high policy should be taken together. The United States was realising that naval and political policy in the Far East were related, and he hoped that she would realise that political policy in the Far East was not unrelated to political policy in Europe. Having turned her back on the West, the United States would find that she had met all the Powers of Europe in the East and would be willing to cooperate with them for the maintenance of peace, not only in the Far East but also in Europe. There were definite indications pointing in that direction, in that the United States had not insisted on any peculiar position under the Monroe Doctrine in respect of the Leticia and Chaco disputes. In the Far East also the United States had preferred to let the League act and to cooperate with it, although that cooperation had not been thorough enough to be effective. The regionalism of American policy was gradually being cut away, and Americans were beginning to perceive that, after all, it was all one globe.

# THE POLITICS OF INTERNATIONAL AIR ROUTES[1]

By LIEUT.-COLONEL H. BURCHALL, D.S.O.

ANY company which maintains regular air services over routes crossing foreign countries has to encounter many difficulties, but of these none is greater than those presented by international politics, for these are based upon the uncertain and shifting foundations of national prejudices and aspirations. This is all the more to be deplored because the improvement of communications between different nations is above all the best way of bringing the peoples into touch with one another, and so avoiding misunderstanding. It is probably not too much to say that the future of civilisation depends upon moderation of the purely national spirit and upon the development of closer understanding between peoples and races. The essential link in such a bond of understanding is rapid transport. The greater the development of transport, particularly in speed and frequency, the more justified and stronger become such links.

Unfortunately, during the last ten years, the period of adolescence of commercial aviation, there has been evidence, in Europe and elsewhere, of extreme nationalism which has hindered the full development of this new means of transport. Unfortunately, each reservation or restriction imposed by one nation invariably leads to a corresponding reprisal by another, and unless this effect of extreme nationalism is moderated, air transport will become so hampered that the advantages of international air services will be largely discounted.

Before the influence of politics on the operation of air services can be properly understood, it is necessary to consider the legal position which air transport occupies among the nations to-day, but I wish to make it clear that I do not speak as a lawyer and only as an aircraft operator. Since early in the present century, the legal status of air navigation has exercised the minds of jurists, some taking the view that the owner of land owned also the whole air space above it, while others took the view that the air was free to all. Although the discussion was largely academic,

[1] Address given at Chatham House on October 18th, 1934, Brig.-General P. R. C. Groves, C.B., C.M.G., D.S.O., in the Chair.

it was none the less argued with considerable warmth up to 1911, when Great Britain passed the Aerial Navigation Act. This Act received the Royal Assent in February 1913. As at this time there was, in fact, no commercial aviation, the Act dealt principally with such matters as the rules of aerial navigation, markings of aircraft and so on. In the following year, 1914, the War broke out, and for the next four years developments in aviation were confined to military purposes.

The potentialities of aeronautics for the purpose of commerce, however, became recognised and arguments on the subject continued until 1919, when the subject of the international law relating to air transport was again discussed. The result was that in that year the "Convention relating to the Regulations of Aerial Navigation" was signed by the Allies, and this Convention, usually referred to as the Air Convention, forms the basis of the present international law on this matter, and is, therefore, of far-reaching importance.

The fact that the Air Convention was at first signed by the Allied and Associated Powers, and accordingly left the predominant voice in the regulation of air transport in their hands, militated against its universal acceptance. It has since been amended to facilitate the adhesion of non-contracting States, but while there are twenty-nine adherents, there are also very important non-adherents—namely, Germany, Switzerland, Spain, Austria and Hungary from among the nearer European States, the U.S.S.R., Turkey and China eastward, and the United States, Brazil and the Argentine westward. There are at present also two other Air Conventions in force—the first between Spain, Portugal and the Latin American States, and the second between the United States and the Latin American States. Although many States took part in the discussions leading up to the drafting of these Conventions, they have so far been ratified by very few. The Air Convention of 1919 is, however, the important one from the British point of view, and will be referred to exclusively hereafter.

The foundation of international air law is laid down in the Air Convention in the following words:

> "Every power has complete and exclusive sovereignty over the air space above its territory."

This ended the argument as far as international law is concerned, and the principle was doubtless adopted owing to the fact that every State realised during the War the capacity for offensive

ction that existed in aircraft flying over its territory, however igh they might fly. There seems little possibility of the subject eing reopened. You will note that the nations have sovereignty ver their air space, but do not allow this sovereignty to extend ɔ the individual owners of the surface.

Article 2 of the Convention states that—

> "Each contracting State undertakes in time of peace to accord eedom of innocent passage above its territory to the aircraft of the ther contracting States, provided that the conditions laid down in ıe present Convention are observed. Regulations made by a con- acting State as to the admission of the other contracting States shall e applied without distinction of nationality."

'his Article does at least pay lip service to the principles of eedom and equality of status for aircraft.

A very important and far-reaching distinction between the peration of a regular air service and an individual flight is drawn, owever, in Article 15, which states that—

> "Every contracting State may make the establishment of inter- ational airways and the creation and operation of regular international ir navigation lines, even without landing on its territory, conditional ı its prior authorisation."

his, as you see, gives every State the power to prevent a regular ir service being established by refusing its permission. No ounds are set to this refusal, and the State need not have fair r just reasons for its refusal; in fact, it is not required to state ny reasons at all. It does not even require that the services of ll contracting States shall be treated alike. This latitude has d, on the same route, to some services being authorised and some eing refused authorisation. It is this provision that causes the ıajority of difficulties when a regular air service is in course of eing established: the permission of every country over which is to pass has to be obtained, whether a landing is to be made ı that country or not.

Another important provision, in Article 3, established the ght of any State to prohibit the flight of aircraft over certain ortions of its territory for military reasons. In effect, it gives, ı conjunction with other articles, the right to determine the ɔute over which any air line shall pass, including the points at 'hich it shall cross the frontier, the aerodromes at which aircraft ıall land, and the courses between these aerodromes. Prohi- ition of flight over areas of military importance, such as arsenals, ockyards, fortresses, etc., is understandable, but it is the omission

of any limit on the prohibition or on the refusal of permission for the establishment of regular air services that makes the establishment of such services difficult. To the layman and aircraft operator it seems that it was the original intention to give "freedom of innocent passage" in time of peace, but as international air services became established it appears that their political importance raised misgivings as to the wisdom of complete freedom and led to the provision that their establishment should be subject to the prior authorisation of the States flown over.

Whatever the original intention may have been, the present position of air services in international law is that—

1. Each State has complete sovereignty over the air above its territory and territorial waters;
2. No air service can be established without the prior permission of the States over which it wishes to pass; and that
3. Permission may be refused without any reason being given.

A still more powerful obstacle to the establishment of international air lines lies in the fact that the important countries that have not yet adhered to the Convention have no rights or obligations under it, so that in the matter of operation of international air routes across their territory they are a law unto themselves. Equally, for their services to cross foreign territory they have to make a special agreement covering each individual case.

From the foregoing it will be clear that the establishment of an international air service involves much political bargaining. When established it enjoys a very precarious tenure and may be subjected to many handicaps from which there is no escape except by a long process of negotiation and barter. Let us now see how this works out in practice, and we may take as an example the India route of my Company, which will provide plenty of examples to show the interaction of the various considerations.

In October 1926, Imperial Airways had everything arranged for the start of a service from Cairo to Karachi, but the service was held up at the Persian frontier for many months. My Company had understood that the Persian Government, which incidentally was a party to the Air Convention, was willing to let us fly along the coast of the Persian Gulf, but it transpired that they were not entirely satisfied. Negotiations dragged on, and at one time broke down altogether. Meanwhile we ran a weekly service between Cairo and Basra.

In 1929 the difficulty was overcome, and the Persian Government granted an authorisation for three years for flights once a

week in each direction along the Persian coast, subject to certain restrictions. The Persian Government made it clear that they would not extend their authorisation after the expiry of the three years, as they intended to establish an aerial corridor through Central Persia, and if we wished to continue to fly through Persia we should only be able to do so by using the corridor. They considered that the period of three years would be ample for the specification of the corridor and for the organisation of the Company's services along it. We knew, therefore, that unless the Persian Government reconsidered their decision before their authorisation expired at the end of March 1932, we should have to change our route or stop operating through Persia altogether.

About this time (1929), arrangements had also been made to establish an air connection across the Mediterranean. Italy would not agree, however, to our entering Italy from France along the coast, although the French were using the route we wished to follow. We had, therefore, to arrange that the India mail and passengers should fly to Basle, where they would arrive in the late afternoon, and then (since it was not commercially practicable to fly across the Alps) travel from Basle in the night train to Genoa, where they would resume their flight in a flying boat from Genoa by way of Rome and Naples to Corfu. To secure the necessary right to operate to and through Italy and Greece, we had also to call at Athens and at Tobruk in Italian Cyrenaica.

The restrictions and obligations imposed by the Persians, Italians and Greeks are specifically sanctioned by the Air Convention, and there is, therefore, no cause for complaint on this score.

All went well for a time, but in 1930 more trouble began. Our original arrangements with the Italian Government specified that an Italian company should also fly between Genoa and Alexandria, using the same route as ours, and flying their services intermediately with our own. After a year's operation, that is in 1930, a proposal was put forward by the Italian company for pooling traffic between the two companies which we could not accept, and owing to this disagreement we had to give up flying through Italy and change our route hurriedly to Central Europe. Our aircraft then, instead of flying to Basle, flew by way of Brussels, Cologne, Nuremberg, Vienna, Budapest, Skoplje and Salonika, where they were met by the flying boats and taken on to Alexandria, but this time without making a call at Tobruk.

This route was satisfactory enough during the summer, but the weather conditions were very bad in the winter. The mountain area between Skoplje and Salonika is one of the worst in Europe from a flying point of view, and lacks meteorological, wireless and night-flying facilities. In consequence, flying had to be confined to daylight hours, and in winter, when daylight is short, the mails and passengers were sent by a convenient night train over the Skoplje–Salonika sector.

After running this route for eighteen months, a *rapprochement* occurred with Italy, and in May 1931 an agreement was reached under which we were authorised to revert to the Genoa–Naples–Corfu route for one year, and thereafter to operate with aeroplanes from Milan to Brindisi and with flying boats from there via Athens across the Mediterranean without, however, incurring the previous obligation of making a call at Tobruk.[1] Since the winter weather is better on this route than in Central Europe, we returned to it (May 1931), with, however, a certain amount of uneasiness about another change of route a year later. The proposed new route also produced another cause for uneasiness, namely, that the winter weather round Milan is bad, fog being very prevalent, and in any case the aeroplane operating the Milan–Brindisi sector would be flying uneconomically and increasing the cost of the service we had to offer to the public.

To cut a long story short, we decided, after investigating all the possible combinations of rail and air services between London and Brindisi, to give up the air section between Milan and Brindisi, and instead to use the train from Paris to Brindisi and operate two services a week across the Mediterranean from Brindisi, thus obtaining separate trans-Mediterranean sections for the India route and for the Africa route, which by this time had been established. The separation of the India and Africa services also allowed us to shorten the route to India by flying from Athens via Castelrosso and Cyprus to the Sea of Galilee, avoiding the detour through Egypt.

No sooner was this change effected than the Persian Government specified the corridor for international air services to follow through their country. The route was via Isfahan, Yezd and Bam. This route was very discouraging for an air service, but

[1] Superseded by Anglo-Italian air transport Convention of Dec. 10th, 1934, which provides for the use of two alternative routes, (1) Rome or Ostia, Naples (Malta), Tripoli, Bengasi, Tobruk, and on; (2) Rome, Naples, Brindisi, and on. For the purpose of operating these services the British air transport companies have also the right to land on the civil aerodromes at Milan, Rimini, Rhodes and Castelrosso. (*The Times*, Dec. 11th, 1934.)

being anxious not to meet troubles half-way, it was decided to survey the proposed corridor both on the ground and from the air. Unfortunately, our representative was unable to recommend even that the route be tried, and his report on it made certain what we had feared—namely, that it would be prohibitively costly for regular all-the-year-round operation.

It is perhaps unnecessary to go into details, but after leaving the 'Iraq frontier the surface starts to rise in hills up to 5000 feet. A little further the Bakhtiari mountains rise to 14,000 feet and the River Karun winds its way through them at the bottom of precipitous gorges. The snow lies all the year round on the mountains, and the possibility of constructing intermediate landing-grounds is remote, while to get supplies to such landing-grounds or to provide amenities for passengers would in itself be an achievement. There are no roads along the route as far as Isfahan, and such facilities as telegraphs or wireless are unknown. Wireless or line telegraphy is essential for giving information about weather conditions if a service is to operate with regularity and without taking risks, and where bad weather is to be expected or where the country flown over is difficult, telegraphic communication becomes correspondingly of greater importance. From Isfahan to Yezd the route follows the road, but mainly across a salt-coated desert, which is soft underneath its crisp surface and becomes a sea of mud in winter. For this reason, Yezd is often cut off from the outside world for weeks at a time. There are severe sand-storms in summer. From Yezd onwards the plain becomes harder and gravelly, and water is only found at considerable intervals. After leaving Kirman another range of mountains has to be crossed at 7000 feet in a valley whose sides rise to 11,000 feet. From Bam to Bampur there is first a treeless and desolate plain, but as the altitude lessens there develops a thick jungle and the ground is intersected by deep ravines. One more range of mountains has to be crossed between Bampur and Gwadar at 5500 feet. In all this route there is not a single wireless or meteorological station. Surface transport is bad, and there seems little hope of improvement.

In 1931, therefore, we were faced with the problem of organising this route for operation in the following year, or of finding an alternative route avoiding Persian territory, or—a forlorn hope—inducing the Persian Government to reconsider their decision. As a result, the British Government applied for an extension of our authorisation to use the coast route, and two extensions were granted—the first for two months and the second

for a further four, for which we were grateful, and indeed it is probable that we could have gone on operating on this route, as the French and Dutch have done, but on such insecure tenure as to make it impracticable to provide suitable amenities for our passengers. At the end of the second extension, therefore, our arrangements were complete for a change-over to a route along the Arabian coast of the Persian Gulf. This change-over was carried out on the 1st October 1932, and since then we have not flown over Persian territory.

Our negotiations for the operation of a service along the south side of the Persian Gulf did not follow on quite the same lines as those required for flying over the territory of European Powers. From Basra the route goes by way of Koweit, Bahrein and Oman to Gwadar in Baluchistan, and from there by the same route as formerly to Karachi. Being a coast route, no difficulty or great cost arises in the transport of fuel and supplies, as shipping is available. There are already wireless stations not only on the shores of the Gulf, but practically every steamer in the Gulf could be called up by wireless telegraphy if required. Mountains only occur on the Oman Peninsula, and can be crossed at no greater height than 3000 feet, and, while flying along a coast route is more comfortable than over a mountainous inland route, weather conditions are also likely to be much more stable on a coast than on an inland route. Nevertheless, we should have been content to continue operating along the coast on the Persian side of the Gulf if we could have obtained a reasonably long period permit, but without some security of tenure the Arabian coast held out greater prospects of satisfactory operation and permitted all its advantages to be fully exploited.

To use this route, it was necessary to make arrangements with the Sheikhs of Koweit, Bahrein and Trucial Oman, who are independent rulers of their own territories, but they are so closely tied to Great Britain by treaty and custom that the air route is in effect under British protection. There are certain stretches, such as the Hasa coast of Saudi Arabia, which are not, of course, under British control, but our relations with His Majesty King Ibn Saud are friendly, and in any case our aircraft have more than sufficient endurance to travel without needing to refuel between Koweit and Bahrein outside King Ibn Saud's territorial waters.

The Sheikhs of Trucial Oman, although bound to the British Government by treaty, are in a different category from the Sheikhs of Koweit and Bahrein. They are less closely tied to the

itish Empire, and rule in a less settled and less developed ritory. The Trucial coast inhabitants are deeply religious d are, of course, Moslems, although there are among them a few ndu and Persian traders. They are backward, conservative d stubborn people, devotedly attached to their political free- m. When one learns that the inhabitants of one place forbade : use of a motor lorry because motor lorries are not mentioned the Koran, it is only to be expected that there might be opposi- n to the establishment of an air service. When the trans- sert air service was first established, the tribes in the Syrian sert looked with some suspicion upon it, and the same suspicion bably existed in the minds of the inhabitants of the Trucial ıst and the Sheikhs had to bow to the popular will, even though ey themselves might have welcomed the service.

Many people are apt to regard a Sheikh as an absolute ruler stead of as merely the elected representative of his family, which in its turn, recognised as the ruling family. The Sheikh's others, uncles and cousins have frequently almost as much claim the sheikhdom as he, and are sometimes prepared to exploit grievance to their own advantage. The ebb and flow of the gotiations with the various Sheikhs and the upheavals following illness of one of them during the negotiations are an interesting ory, but are perhaps somewhat out of place at this particular ne. Suffice it to say that after much negotiation the Sheikh Sharjah offered, on certain conditions, to allow us to establish aerodrome on his territory and to build a rest-house in which could accommodate our passengers during the night stop.

It seems now, just two years since the service started to erate over Trucial Oman, that the coming and going of aircraft rrying passengers, who do not interfere in any way with the cal religious observances or politics, and who, on the other hand, crease trade, are already doing something towards breaking wn the distrust of the foreigner and establishing more peaceful nditions along the coast. Concurrently with the establishment the trans-desert air route from Palestine to 'Iraq there seems have been a noticeable improvement in the relationship not ly between the tribes themselves, but also towards foreigners, d there appears to be no reason why the same improvement ould not also occur with the establishment of the Arabian coast route and so demonstrate once again that transport is the arer of civilisation and that the service is in no way detrimental the interests of the countries flown over.

The next change that occurred in the India route was the

abandonment in January 1933 of the use of the Sea of Galilee as an interchange port. Experience showed that this part of Palestine was very susceptible to violent storms at night which, in the absence of satisfactory meteorological reporting stations in French Syria, could not be adequately forecast. After having one of our aircraft seriously damaged while anchored on the ground, it was thought prudent to give up the route from Athens by way of Castelrosso and Cyprus to Galilee, and operate via Alexandria, Cairo and Gaza on our original route.

The section of our routes which seemed to be least acceptable to the public is the train sector from Paris to Brindisi, and with the passage of time the difficulties of operating by air from France into Italy had vanished, and early this year new arrangements were made with Italy, and put on a more permanent basis than the old, under which we should be free to fly along the coast from France into Italy. We had, therefore, looked forward to the entire elimination of the train section during this summer and had been under the impression that we had only to ask the French Government for the right to fly via Marseilles to have the necessary permission accorded to us. France had always shown a liberal attitude towards freedom of the air and had already received the necessary permission for her service to operate across India to French Indo-China and across Rhodesia towards Madagascar, and there was at the time no reason to suppose any difficulty would have arisen in flying across France. Unfortunately, however, it has turned out not to be the case and permission was offered on terms that appeared to my Company to be too onerous and to introduce a new principle in such matters. The problem is still under discussion officially, and it would, therefore, be unwise to do more than deplore the delay that is being incurred. I cannot think that the problem is insoluble, and as it would seem as necessary to France to maintain her services across India to Indo-China as it is for us to maintain our services from Great Britain to other parts of the Empire across France, agreement must almost inevitably be concluded and—one would hope—without protracted delay.[1] I do not wish it to be thought that our own is the only air transport service that has had to meet these political problems; in fact they all suffer in much the same way.

Let us compare the position with mercantile shipping. For centuries the guiding principle behind the operation of the mercantile marine of the nations of the world has been that the

[1] In the *Times* of Dec. 13th, 1934, it was announced that agreement had been reached.

sea shall be free to all and that the ships of one national shall ply without hindrance from one country to another, nations merely reserving for their own nationals their coastal shipping, which is the equivalent to cabotage in the air. This principle is already universally recognised but frequently waived by agreement. The present freedom of mercantile shipping has come about through a long process of development and the present freedom was not always enjoyed, but one would have expected that air transport which only began in 1919 would have been able to start off at the point at which marine transport had arrived, and not to have to fight all the way through the same problems that have already been decided in connection with the sea. If the enshackling arrangements which now beset air transport had not been overcome in the marine world, it is no exaggeration to say that civilisation could not have reached the stage it has reached to-day, and air transport cannot hope to meet all the calls made upon it until freedom of passage in time of peace is as world-wide in application to air transport as it is to marine transport.

There are two suggested ways to expedite this condition of things—firstly by international ownership of air transport, and secondly by amendment of the Air Convention and its universal adoption. To discuss the internationalisation of air transport is to tread on very contentious ground, particularly as the subject becomes confused with that of armament and disarmament. My own personal view, however, is that as a measure of disarmament, international ownership of commercial air services could not achieve its purpose, since it would still leave untouched the large numbers of privately owned aircraft operating exclusively within each nation's territorial limits, and would not prevent a nation bent on war from commandeering internationally owned aeroplanes within its territory.

Looking at the matter apart from its relation to disarmament, it is impossible to obtain in an international company that unity of policy and standards which we believe to be essential for efficiency, and it is too much to expect assistance from national exchequers for an international company. Even a national long-distance air service must, if it is to run economically and as a sound commercial business, be controlled by one board of directors as a single unit with uniform standards of service, comfort, speed and consideration for the passengers, and conditions of employment for the staff. For this reason my Company has always urged the need for some measure of unity of control over trunk

British Empire air lines. If this is not achieved, commercial efficiency and economy are bound to fall to undesirable levels and passengers will have endless difficulties and never know where they stand.

How would it be possible to secure the necessary singleness of purpose in an international company with the different mentalities, idiosyncrasies and interests of a number of nationalities? Such a company would be influenced by political considerations even within its own board of directors, unless one nationality acquired a dominant position—which would inevitably happen. Orders for equipment and aircraft would have to be spread over the nationalities comprising the company, irrespective of whether all nations produced the same quality of equipment or not, and at the expense of efficiency. This is too high a price to pay for the freedom of the air, which would then only bear "Dead Sea fruit."

The better way is gradually to impress on the nations of the world that the freedom of the air is to each one's advantage, that the trade that air travel brings means more money for their exchequers, more facilities for their citizens, less fear of international friction.

Technical advances will in time produce such aircraft that the operation of air routes will become possible without subsidies. As soon as that time comes, air lines will cease to have that extreme national character which they have at present owing to their being fostered by funds from their national treasuries. Governments will not then be vitally interested in protecting them from competition and they will, therefore, not be so anxious to hamper or restrict the activities of the transport companies of other countries.

An important step towards making air services self-supporting seems to be to amend the Air Convention in such a way that States may only refuse permission to the aircraft of other contracting States to fly over their territories on giving reasonable grounds for doing so. Governments will be much less inclined to refuse permission if their reasons for so doing have to be made public. Restrictions, other than those necessary for military, police, customs or quarantine reasons, should also be removed and the fostering of other objects by means of special taxes extracted from air transport should be abandoned.

Unfortunately, commercial air transport has grown entirely out of its proper perspective by the confusion of thought that has been brought about by putting an unjustifiable military import-

ance upon what is really an insignificant amount of aviation development for commercial purposes. Certainly some nations do regard their civil aviation as a military reserve, but except in special cases, its relative value as such must be almost negligible. Other nations appear to think that their prestige impels them to operate air services whether they fill a commercial need commensurate with the cost or not.

Yet national aspirations are natural and understandable, and while subsidies are in force artificial conditions will prevail and competition may influence the grant of the right of passage of a regular air service. We need to find a way to cope with this difficulty until the progress of aeronautical science makes subsidies no longer essential, when air services will become subject to the same influences that now affect shipping, which are free to follow any course they desire outside territorial limits and to pass unhindered through territorial waters to the port of their choice. Perhaps a way to meet the difficulty would be to allow free passage to foreign air services for the carriage of their own " through " traffic.

There is, of course, similar interest being taken in this subject abroad as in Great Britain and a very interesting article recently appeared in the Italian civil aviation Review, in which the writer points out that according to the old Roman law the private citizen had full and unlimited rights. On the other hand, as in the case of the ancient Germans, the Incas and now in the U.S.S.R., there is the other extreme where property belongs to the mass and individuals have merely the temporary use of the property. As the needs of the masses increase, the individual's absolute right gradually diminishes, owing to the conflicting rights of individuals. The individual rights are first of all limited and finally suppressed when they conflict with those of the mass. A readily appreciated example is the case of expropriation in the interests of the public. He then goes on to show that similarly, as the result of the various forms of pressure to meet popular international requirements, a State sooner or later must give away *its* rights just as the individual has had to do, going through the same stages, and he suggests—

1. That as regards the institution of regular inter-continental air lines the first period, *i.e.* that of absolute sovereignty, may be considered as having been practically closed, although it is theoretically still in force by virtue of the Air Convention of 1919.
2. That we are rapidly approaching the second period, *i.e.* in

which the right of sovereignty is limited by the veto of an unreasonable opposition, and

3. That with technical progress, increasing safety, greater altitudes and longer ranges, the advent of the third period is approaching when the freedom of the air will be considered a natural right belonging to all States and not merely to that owning the ground beneath it.

Finally, the writer urges that it is only with the arrival of this last period that a new era will commence for air transport as occurred about three centuries ago in the case of sea transport.

The benefits of air transport to the world in general cannot be over-estimated. There are innumerable cases when being able to make a journey by air makes it possible for the journey to be undertaken at all, since the time could not be spared for surface transport. The best way to get agreement between people and to thrash out conflicting points of view is for the people concerned to meet. The personal touch is still and always will be the finest producer of agreement and understanding, however great may be the advance in telephony, telegraphy and even television.

In this busy world, when time is so valuable, it is air transport which will make the personal touch possible where hitherto the speed of surface transport has not permitted it. This is one of the strongest arguments in favour of operating services for mails and passengers as against the proposal to operate services for mails only. That is one of the great advantages that air transport has to give civilised countries, and it acts continuously in times of peace to avoid the development of friction that may lead to quarrels and international strife. This surely must be set against the somewhat over-estimated value that is put upon commercial aircraft for use as weapons of war. It is curious that commercial aircraft should raise such fears although commercial shipping is about equally readily convertible for war purposes at sea. On balance the continuous and powerful potentialities for good of commercial aircraft far outweigh the minor potentialities for offensive action in time of war.

In uncivilised and wild countries, air travel is often the only alternative to painfully slow and tedious progress through desert or bush or jungle. Before the aeroplane came it took weeks where it now takes hours. Tracts of country hitherto inaccessible can be opened up by aircraft. Settlers scattered over wide areas can be kept supplied with letters, luxuries, medical assistance, etc. by aircraft in a way which would be impossible by surface transport.

Air transport, therefore, has a very definite place in the list

of man's amenities and it is a place that can be filled in no other way. Our object must be to get the public opinion of all the nations of the world to see it in that light and to expedite the freedom of innocent passage in times of peace by all means in their power.

*Summary of Discussion.*

A MEMBER asked what the prospects were for the development of stratosphere flying. In Germany a double-boosted engine was being used and it was hoped that the distance from Hamburg to New York might eventually be covered in from eight to ten hours at a height of four thousand feet. Was this a practical proposition within the next decade?

He did not agree that the lack of speed of civil aircraft made them negligible from the military point of view; the two new machines of Imperial Airways, operating from the Low Countries and filled with incendiary bombs, could make London look rather a wreck in a very short time.

COLONEL BURCHALL thought that the development of stratosphere flying would take longer than ten years. It did not appear to be satisfactory for passenger traffic and he had grave doubts whether it ever would be, though it might be found quite suitable for mails. The whole question whether development should be concentrated on mail services or on combined mail and passenger services had been discussed and Imperial Airways had come to the conclusion that the latter held out the better prospects. As the size of aircraft increased, so the cost per pound carried went down; as the size increased, greater comfort could be provided; only in big aircraft could there be provided sleeping accommodation which was essential if flying by night, as well as by day, was to be adopted.

Big aircraft could, of course, carry big weight and could therefore be used as bombers, but they were absolute " sitters " for any military aircraft, even, he thought, at night.

MAJOR G. H. BELL asked if any foreign governments made a charge for flying over their territory, and whether the policy of the Persian Government was purely obstructionist or had some special aim in view when deciding on the corridor mentioned by the speaker.

COLONEL BURCHALL replied that no direct charge was levied, but there were heavy indirect charges; mooring fees were charged even when the company provided the mooring; an enormous duty was charged on petrol, because there were taxes on it for the development of roads; commissions had to be paid on the bookings of passengers. In one country, in spite of an international agreement to the contrary, the company had to carry mails from the flying boats to the post

office, instead of their being fetched by the post office. In another country the company had to carry a certain amount of mails free, although that was in conflict with universal arrangements.

It was very difficult to know what decided Persian policy. No doubt they wanted to develop internal means of transport, and probably they just did not realise that there was any special difficulty about flying over that particular corridor.

MR. W. HORSFALL CARTER asked what kind of persons, military or civilians, had been the representatives who drew up the Air Convention. It appeared from League documents that the reason for their sanctioning the idea of national sovereignty over the air was due to the impression made by war-time experience of the dangers of military aviation. To-day, for that very reason, many favoured the contrary, *i.e.* breaking the fetters of national sovereignty. Until "public opinion" had lost its fear of the easy convertibility of civil aircraft to military uses it would not throw its weight on the side of "freedom of the air," as conceived by the speaker. It would therefore seem more hopeful to tackle the problem from the other direction, by taking away the sovereignty of the air from the nations,—by, in the first place, *internationalising* civil aviation (in Europe, at any rate), and so producing conditions in which the fear would no longer exist that aircraft would be converted to military purposes. In the 1933 debates at Geneva various delegates had given encouraging support when M. Pierre Cot had put forward his proposals in that sense.

Shipping and aircraft were not on the same footing. When shipping was developing, Great Britain was really running the trade of the world. But since the War the hold of Great Britain had been shaken, and each country was trying to protect its own shipping. To obtain the kind of freedom for air transport that was desired, it was necessary to combine the idea of Europeanising civil aviation with that of a European air force.

COLONEL BURCHALL thought that though internationalisation might be possible, by the time it was secured there would be no international transport worth having. With regard to the Convention of 1919, he referred the question to the Chairman, who had been one of the representatives who framed it.

THE CHAIRMAN (BRIG.-GENERAL P. R. C. GROVES) said that the representatives who drew up the International Air Convention at Paris in 1919 were military, technical, legal and, in the British case, also civil—the Chairman of the Society of British Aircraft Constructors. He was glad to recall that the British delegation had stood out for freedom of the air, but the French and Italians had been adamant. The door had been left open so far as was possible, but by degrees nationalism and militarism had continued to encroach on what should be the most beneficent development for mankind as a whole.

QUESTION : Had there been any difficulty with the Dutch Government over the route to Australia?

COLONEL BURCHALL replied that the Dutch, like the British, had been protagonists of freedom all the time and granted it liberally. There was no foreign territory other than the Netherlands East Indies which had to be crossed on the route from Singapore to Australia.

QUESTION : Were the lights for guiding aircraft provided by the flying companies or by the governments, and were they regarded as international? Lighthouses during the War had been regarded as neutral.

COLONEL BURCHALL replied that in the main they were provided by governments; sometimes by a municipality or group of people, or else by flying companies. There was little doubt that in the event of a war they would be used only for the benefit of the country providing them.

VICE-ADMIRAL S. R. DRURY-LOWE said that the rapid advance in aviation forced on one the reflection whether its future development would be to unite nations or destroy them? If the former, then there was a clear obligation to reduce drastically, or perhaps to abolish, military aircraft, but this would not remove the danger from air attack unless there was also some international control over civil aviation. The question of international control was therefore of the first importance. France and Spain and others had put forward detailed schemes to that end, and he felt that the British Government could, and should, have taken a more helpful line in supporting these proposals. He hoped they would do so without delay.

He also asked the lecturer why the countries which had not signed the Air Convention of 1919 had objected to doing so?

COLONEL BURCHALL agreed that if military aircraft were eliminated, civil aircraft could become a terrible menace, but if agreement could be reached to abolish military aircraft, surely by the same agreement bombs could also be abolished, and civil aircraft could then be used without damage. If nations could not be trusted in that, could they be trusted in any other way?

The objection of the other countries to signing the Convention in 1919 was that the Allies retained too much say in the control of international aviation for the former enemy countries to accept it. The United States, following its ordinary practice, would not sign a European agreement. China remained outside probably for similar reasons. Those who had not adhered to the Convention, subsequently had entered into bilateral agreements with the countries to which they wished to fly in practically identical terms.

MR. R. M. K. BUCHANAN, R.N., thought that Persia could not be blamed for her attitude. Russia and Great Britain, before the War,

had divided Persia into spheres of influence. Then there had been the deal over Persian oil. And during the War the British had recruited troops from Persia—a neutral country—and had sent them to fight in Arabia. This seemed reason enough for the offer of such an unattractive corridor as an air route.

With regard to the use of civil aircraft for military purposes, would the American long-distance passenger machines be such "sitters"? He believed that their speed was considerably higher than that of the British machines. They used the variable pitch propeller which the British had not used.

COLONEL BURCHALL said that some American commercial machines had been designed as bombers and these would not be such "sitters," but it was not speed which was the important factor in military aircraft. The vital thing was manœuvreability, and this involved additional structure strength. It was impossible to throw big machines about the sky, and that was the same with American as with British machines, although they were faster. The variable pitch propeller was essential for very fast machines, but in slower machines it was not of the same use. At the present speeds of Imperial Airways machines it was cheaper to put a few extra millimetres on the bore of the engine.

A MEMBER said that there were two outstanding reasons for the difficulties which were put in the way of foreigners flying over a country. It was undoubtedly a great help in flying if the pilot concerned had been over the same country before. He had been told on several occasions in France, Italy and Spain that the authorities would rather he did not fly over, and when he asked why, the answer had been: "When you come again you will know the country." Another reason was that photographs could be taken from aircraft—a difference between ships and aircraft—and civilian aircraft could fly over fortifications.

LIEUT.-COLONEL C. L'ESTRANGE MALONE asked what the political reasons were for the non-development of continental air routes by Imperial Airways. If British air services were to obtain anything like the position held on the sea by the British Mercantile Marine, they would have to fly from town to town, whether the towns were in the British Empire or not. The failure to do this could not be lack of staff to organise the routes; if so it would be an argument for ending the monopoly held by Imperial Airways and allowing a rival company to embark on the enterprise. Nor could it be due to lack of money when the Air Ministry had expended between £3 million and £4 million in the last five or six years on commercial aeronautics—mostly on airships which did not produce any valuable results for the country.

COLONEL BURCHALL said that the heart of the problem went back to 1925 when the Government of the day decided that they could not

allow Britain's air services to be wiped out by the competition of subsidised foreign companies and granted a subsidy to Imperial Airways, the company having been formed by the amalgamation of four British companies. A comprehensive study of the economics of air transport showed that the development of short-distance routes to the Continent could only result in continued loss with the aircraft then available. As time went on and the cost of operation went down, Imperial Airways on the long routes were getting nearer and nearer to paying their way. The time would certainly come when it would be possible to develop other European services without incurring heavy losses. In the meantime the alternative was to continue the development of the Empire services and open a route to West Africa and connect Canada with the West Indies and British territory in South America. The Government's policy really determined the choice of routes.

QUESTION: What were the prospects of lighter-than-air flying?

COLONEL BURCHALL said that the sphere of lighter-than-air flying was for trans-oceanic services and not for services where passengers were frequently set down and picked up. They could not make frequent stops with economy, whereas the heavier-than-air machines must make frequent stops to fly economically.

QUESTION: Was it essential for passengers and mails to be carried in the same machines, as the speed required for the mails caused discomfort to the passengers?

COLONEL BURCHALL said that although they received complaints from passengers that they were hustled over meals and not given sufficient time on the ground for comfort, they received just as many complaints that the services were too slow and requests that there should be more night flying. So long as this conflicting criticism existed, the company judged that the services must be just about right.

THE CHAIRMAN (BRIG.-GENERAL P. R. C. GROVES), in closing the meeting, remarked that Colonel Burchall's address had raised many important issues, including the convertibility of commercial aircraft to military purposes and the bearing of that convertibility upon the problem of disarmament. The discussion had ranged over a wide field, and in view of the interest evinced by all present there was perhaps room for a further discussion with wider terms of reference.

# AMERICAN ECONOMISTS ON THE SLUMP[1]

By H. D. HENDERSON

A LARGE output of economic *pamphlets*, that is to say, of publications which, whatever their length of form, are written to enforce topical contentions, is a normal feature of a severe depression; and in the United States, under the stimulus of the exciting experimentalism of President Roosevelt's economic policies, the recent output has been exceptionally large. So far as their topical purpose is concerned, such publications are necessarily ephemeral; but the indications which they afford of the way in which their authors' minds respond to the stimulus of events retain often a more lasting interest. The three publications under review can most profitably be considered in this Journal less for the light which they throw on the course of events in the United States or on the wisdom of the policies pursued than for the test which they supply of the adequacy of the diverse schools of thought which their authors represent.

Dr. Sprague is an orthodox economist, cautious by temperament, with a strong leaning towards the traditional in monetary and financial policy, and with a peculiar experience that gives all his views a special interest and some of them an exceptional authority. After watching the development of the depression in London from the vantage-point of Chief Economic Adviser to the Bank of England, he returned to the United States in 1933 to fill for a few uneasy months the rôle of adviser to the American Treasury. Disagreement with President Roosevelt's monetary policy led to his resignation from this post; and the grounds of his disagreement are made clear in this little book. His criticisms are temperate, judicial and cogent. He points out the radical difference between the American policy of deliberately depreciating the dollar and the exchange policy pursued by the British authorities.

> "As the pound was clearly over-valued when the gold standard was abandoned, it promptly fell from $4.86 to below $4. No

[1] *RECOVERY AND COMMON SENSE. By O M. W. Sprague. 1934. (London: John Lane. 8vo. 96 pp 3*s*. 6*d*.)

*MASTERING THE CRISIS. By Irving Fisher. 1934. (London: Allen and Unwin 8vo 168 pp. 5*s*)

MONETARY STABILITY. By Alexander Mahr. [*Public Policy Pamphlets, No.* 9.] 1934. (Chicago University Press 8vo. iv + 24 pp. 25*c*.)

effort was made by the British Government to weaken the po
. at that time or since. An equalisation fund was establis
amounting at first to £150,000,000, later increased to £350,000,
designed to moderate fluctuations in the value of the pound.

" At no time has this fund been used to weaken the poı
It has been used when the pound was strong to moderate
advance which it was believed would not be permanent.
such times foreign currencies have been acquired by the fund,
these foreign currencies have been used freely to check the dc
ward course of exchange at times when the pound exhibite
weakening tendency. It would have been possible at m
times during the last two years to reduce the value of the pc
by the purchase of foreign currencies in large amounts. This
never been done."

It is useful to have this set on record so clearly and categoric
on Dr. Sprague's exceptional and detached authority.

" Our policy [he proceeds] with regard to the dollar has l
of a strikingly different character. This does not necess
mean that our policy has been on that account unwise.
policy may have been wise, given our conditions, and the Br
policy may have also been wise, given British conditions."

This is characteristic of Dr. Sprague's reasonableness. H
no out-and-out anathematiser of the policy of dollar depreciat
Down to a certain point, he seems to concede, there may h
been a balance of advantage attaching to it. But he is scept
of the efficacy sweepingly claimed for it as a price-raising ins
ment, he is fearful of the adverse repercussions which it m
entail if carried unduly far (his book was written, though
published, before the President's message to Congress of Janu
15th, 1934); and he is somewhat irritated perhaps at the obt
ness of its advocates to its logical implications—

" It is interesting to note that President Roosevelt, on vai
occasions, has insisted that he is endeavouring to establis
monetary system which shall be independent of monetary m
ments and price changes in other countries. So far as that p
has been developed, however, it is a policy which exerts
influence on our own situation only through the changes whic
effects in monetary relations between this and other countrie

As to internal monetary policy, Dr. Sprague takes the v
that " since we already have a large available supply of unu
credit and currency, I believe that what may be styled a neu
monetary policy will best serve the purpose of bringing about
active employment in so far as that can be influenced by monet
action." Deliberately inflationary measures would proba

prove futile, unless they were carried so far as to arouse distrus of the currency. On what would happen in that event, Dr Sprague characteristically refuses to pronounce—

> "The attempt to inflate in a period of depression is an uncharted sea. I confess my inability to forecast the course of events in any detail, but I can discover no reasonable ground for believing that inflationary measures afford the slightest promise of the establishment of a higher price-level that will hold, much less that full employment of labour with rising standards of living which is our common objective."

Similarly as to expenditure on public works, Dr. Sprague concedes that an immediate stimulus to trade is likely to follow but emphasises "the risk of creating a situation in which either this expenditure must go on indefinitely or, when it ceases involve the same problem of readjustment that presents itself when Government expenditure is reduced at the close of a war."

Discouraging though all this is, it is eminently wise; indeed it is difficult to discover any chinks in Dr. Sprague's critical armour. But he himself recognises that criticism is not enough and promises to "be constructive." What then has he to offer on the constructive side?

As regards diagnosis, Dr. Sprague lays his main stress on the attempt of the majority of business men to maintain profitable selling prices for their goods rather than to seek an enlarged demand by reducing prices. "This failure of industries," he goes so far as to assert, "to adopt policies designed to open up additional demands for industrial products is, in my judgment the chief cause of the persistence of the depression." The main criterion which he suggests should be applied in examining trade recovery policies is: "Do they tend to open up and increase demand for those products for which we may reasonably presume a large potential demand exists that can be made actual by relatively lower prices?" To secure relatively lower prices or products of this type is accordingly his central constructive principle. He takes housing as a promising field for its application and suggests "as an objective or as a slogan—one more room for every family in the United States below the income level of two thousand dollars." But for this purpose lower costs of building rather than Government housing programmes are what he wants—

> "If the Government through the Public Works Administration can set the pace for low-cost home construction by experimental building in a few localities, it would be most serviceable. Some initial financial assistance through the R.F.C. might also be helpful

**but neither Government building nor Government financial support can provide the basis for an accelerated housing program throughout the country."**

Now, in selecting housing development as one of the most promising means of bringing about a real recovery in the United States, Dr. Sprague may very well be right; and he is almost certainly right in insisting that an undue rise in building cost must be avoided if this possibility is to be realised. None the less there seems something weak and obviously out of focus about this constructive analysis in marked contrast to the sureness and balance of his destructive criticism.

It is very difficult to reconcile either with the facts or with inherent probability his contention that the persistence of the depression in the United States is mainly attributable to a prevailing want of enterprise in reducing selling prices. It is all very well for Dr. Sprague to complain that "the highly successful business policies of the automobile makers have by no means been generally followed by producers and distributors." But you cannot argue fairly in this matter from motor-cars to things in general. Dr. Sprague expressly exempts from censure the textile code under the N.R.A. with its provision for higher selling prices, on the ground that "cheaper grades of textile products may be taken as an example of goods for which no large increase in consumption could be anticipated from any reasonable relative reduction in price." But surely the conditions of demand for the great mass of commodities approximate more nearly to those for textiles than to those for automobiles.

It must be remembered that the individual manufacturer, by undercutting his rivals, may often secure a large increase in his own sales, even though the consumption of the product fails to respond much in the aggregate to the stimulus of a lower price. Thus competition supplies a constant pressure to undertake, and indeed to push too far, the experiments in price reduction which Dr. Sprague desires; and in fact the available evidence suggests that there was no lack of competitive price-cutting in the United States during the early years of the depression. Of course, when prices are cut and demand fails to respond, the industry makes losses, and tends to resort in self-defence to arrangements designed to check the price-cutting which comes to be dubbed "suicidal." This surely is the explanation of that present tendency of American business men, which Dr. Sprague deplores, to seek "protection from one another" under the N.R.A. codes. Doubtless this tendency is a dangerous one, but

it did not come into operation until it had been fairly clearly demonstrated that Dr. Sprague's principle by itself offered no salvation.

In urging the need for lower relative prices for the majority of American industrial products, Dr. Sprague is largely influenced by his recognition of the unpromising outlook for American agriculture. "Reasonable prosperity for agriculture," he observes, "will not be attained unless conditions become such that a considerable number of people now engaged in agriculture find occupation elsewhere." Industry accordingly has got somehow "to absorb not only the unemployed industrial worker, but in addition a very considerable number of people now engaged in agriculture." Here undoubtedly we touch the heart of the special economic problem of the United States. This is the problem which, above all, a constructive analysis needs to explain and solve. It will not do to suggest that it has arisen on account of the "faulty business policies" of industrialists, or can be solved merely by an amendment of those policies. As Sir Josiah Stamp says in his introduction, Dr. Sprague "has not yet told the bitter truth to his people about the connection between high tariffs, international debts, rigid wage systems and the successful working of any gold standard." Doubtless this is hardly fair to Dr. Sprague, who has only attempted to give us a short book, and not a large treatise. None the less, the impression of an essential inadequacy on the constructive side remains, helping possibly to explain the present weakness in the United States of the influence of the orthodox school which Dr. Sprague represents.

What then of the unorthodox economists? The authors of the other two publications under review are both adherents of the policy of stable money, *i.e.* of attempting to maintain a constant price-level through the regulation of credit and currency. Professor Irving Fisher, indeed, is one of the best-known and earliest exponents of this idea, having first put forward his plan for a "compensated dollar" as long ago as 1911. To one who has devoted so much time and energy to the advocacy of this idea, its sudden adoption, in some degree at least, as the official monetary policy of the United States is naturally exhilarating, and perhaps it is unreasonable to complain that Professor Fisher's tone in *Mastering the Crisis* should be so predominantly one of triumph. Yet one cannot help feeling that it is premature; for while events, by discrediting the gold standard and orthodox bankers, have given an unexpected opportunity for the application

of Professor Fisher's ideas, they are very far from having vindicated them, as he seems to assume. On the contrary, the experience of the depression has given rise to two questions which many sympathisers with the idea of stable money find extremely awkward. First, how is it possible to reconcile the claim that a steady price-level is the key to the maintenance of steady trade, with the fact that a slump of unprecedented severity, and bearing many of the marks of a reaction from a previous boom, occurred after the price-level had remained remarkably steady for several years? Second, once the vicious circle of depression is under way, is it really possible to check the process by an expansionist monetary policy?

What does Professor Irving Fisher say upon these questions? As regards the first he gives the following explanation :

> " From 1922 to 1929, however, while the level of stock prices rose, the commodity price-level did not rise. This was an exception to the rule of booms. But *profits* rose, due evidently to reduced costs by reason of technological improvements. For instance, from 1925 to 1929 the profits of 163 industrial and miscellaneous corporations—a typical cross-section of American business—rose 75 per cent.; so that the vicious up-spiral was still a race between the debt level and the profit level, even if not between the debt level and the price-level. Anyhow the debt level rose, and business thereby found itself over-extended."

He proceeds to enlarge upon " the total mountain of debt in America," which he estimates " increased tragically by perhaps 35 per cent." between 1922 and 1929, and observes that this mountain of debts " was the ultimate cause of the depression."

Now this account of the sequence of events is a reasonable one, and will be generally accepted. But see what Professor Fisher admits. He admits that the commodity price-level remained steady in the years preceding 1929, he admits that none the less a boom developed, and he admits that this boom made a subsequent slump inevitable. He claims, it is true, that, in respect of the absence of any marked rise of commodity prices, the last boom was exceptional. But then, as he would be the first to assert, a steady price-level has hitherto been exceptional. On the other hand, there is nothing exceptional about technological improvements resulting in lower costs. Why then if we seek to keep the commodity price-level stable in the future, should not the same results ensue—higher profits, a spreading of business optimism, a growth of debt, and a subsequent slump? Surely it follows from Professor Fisher's admissions that it may

be dangerous to stabilise the commodity price-level whenever technological improvements are taking place.

In occasional passages, it is only fair to say, Professor Fisher recognises that a stable commodity price-level is not enough. In discussing the question of the particular index-number which should be stabilised, he considers Mr. Carl Snyder's index, which includes *inter alia* security prices, and the stabilising of which would therefore require credit restriction in the event of a stock market boom. Professor Fisher rejects this index as impracticable for his purpose and observes :

> " Perhaps it is better to stabilise the commodity dollar and at the same time control or modify certain other price-levels separately, so far as separate pools of credit (as suggested by Mr. Luther Blake) can accomplish such a result—especially with regard to stock market prices."

In this manner Professor Fisher recognises stock market speculation as a factor dangerous to stability for which the commodity dollar supplies no remedy. More expressly he recognises that " we shall not be safe from booms and depressions until we give separate attention to the debt structure," adding that " much study of the whole problem of debts remains to be accomplished before we can establish sound criteria of over-indebtedness as an aggregate phenomenon."

These references to " other factors " are, in short, perfunctory, confined to less than three pages in the book, introduced, one feels, mainly so that Professor Fisher may not be open to the charge of ignoring them. For the most part, his argument proceeds unrestrained by any sense of the existence of such problems, on futile lines such as would have seemed appropriate in pre-slump days, answering objectors who point out that other factors besides money affect prices with the metaphor of the rudder of a boat. Yet, on the basis of his own account of the causes of the recent slump, the problems of stock market speculation and business indebtedness are crucial. Failing a solution of them, why should we expect better of the commodity dollar in the future than it has given us in the past? For—here is the essential trouble which should make Professor Fisher less triumphant—if the index-number of wholesale prices is to be the chosen criterion, we had the commodity dollar in operation in the United States from 1922 to 1929. Indeed we had this, it is important to observe, not as a mere matter of accident, but on Professor Fisher's own showing as an objective of American monetary policy under the régime of Governor Strong.

As regards the second question, by which as has been indicated sceptical sympathisers are disturbed, Professor Fisher has not very much to say. He is enthusiastic for President Roosevelt's reflationary activities, particularly, as befits the old protagonist of the commodity dollar, for the reduction in the gold value of the dollar. But he recognises that Mr. Hoover before him made considerable reflationary efforts; and, in general, his position upon this question appears to be the orthodox one that, *if* a boom is allowed to develop, an unpleasant period of "liquidation" is inevitable.

It is precisely this which Dr. Alexander Mahr, a young Vienna economist attached to Chicago University, is unwilling to accept. He, too, is an advocate of a stabilised price-level, which he insists must be the wholesale level of commodity prices and no other. He, too, recognises that the conditions in the years preceding 1929 were those of boom, despite the fact that commodity prices remained steady during this period; and he faces this difficulty more squarely than Professor Irving Fisher. He admits that in times of technical progress a boom is a natural result of a steady price-level. Indeed he sees no way of avoiding this result; for he is unwilling to allow his monetary authorities any discretion to allow prices to fall, if this seems most desirable in the light of the trade situation, insisting, like the advocates of the gold standard, on the need for an "objective" criterion. Accordingly, he pins all his faith on the hope that a boom need not be followed by a slump.

> "It is clear, then, that rapid technical progress may, under a system of stable money, lead to a boom. But is it an inevitable conclusion that the boom will be followed by a depression of approximately similar intensity, as was the case in the United States? . . . It is a mere truism that there would have been no severe depression, perhaps only some temporary recession, after the stock-market crash if it had been possible to keep the price-level stable. And as it is only a question of preventing the depression—a boom without ensuing depression being a most desirable phenomenon—we have, in fact, to deal with the problem of enlarging the powers and competencies of those responsible for the conduct of monetary policy in such a way as to enable them to intervene successfully in times of a strong downward tendency of business and prices. This is the real problem to be solved."

Alas! all that Dr. Mahr has to suggest for the solution of this problem is that lower discount rates and open-market operations should be supplemented by public works financed by credits.

As though there were not abundant experience to show that public works can never be got going quickly on a substantial scale.

Dr. Alfred Marshall once characteristically observed, with reference to the disputes of the classical economists, that they were all mostly in the right in what they affirmed, and mostly in the wrong in what they denied. It is to be feared that the opposite verdict must be passed on the contributions of most present-day economists to the solution of the world's present economic difficulties. How much more convincing is Professor Fisher when criticising the pretensions of the gold standard than when justifying the claims of the commodity dollar! How much more cogent is Dr. Sprague when he is exposing the weaknesses of the commodity dollar than when propounding his own analysis! The present depression is subjecting to a severe test both the old economic orthodoxies and the latest heterodoxies; and neither group seems to be standing the strain very well.

H. D. HENDERSON

# REVIEWS OF BOOKS

**Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g., "Areopagus, London : Send Book Twenty May Journal : Smith."**

**Books marked with an asterisk (*) are in the Library of the Institute.**

## GENERAL

1*. A STUDY OF HISTORY. By Arnold J. Toynbee. Vols. I–III. 1934. (Oxford University Press. Demy 8vo. 21*s.* per volume; set of 3 vols. 52*s.* 6*d.*: to members of the Institute, 12*s.* 6*d.* per volume; set of 3 vols. 35*s.*)

LORD ACTON speaks somewhere of histories which have changed men's outlook on society and human life. Such histories are few; but it is difficult to lay down the last of the first three volumes of Professor Toynbee's book without feeling that posterity will place it among them. Its immense range, its extraordinary power of synthesis and generalisation, its humanity and literary distinction, would be sufficient to set it in a class by itself. It is much more, however, than an individual *tour de force* by a scholar of exceptional learning, imaginative insight, and experience of affairs. Its structure and plan exemplify a method of treating historical material—to use a phrase that its author would find repulsive—which, though freely employed by anthropologists and sociologists, has not hitherto been applied on so grand a scale or with such impressive success by an English historian. It is probable, therefore, that the indirect influence exercised by Professor Toynbee's work will be as important as the direct. It will not only bring illumination to its readers, but will modify the conception of their rôle held by future historians.

The task which he has undertaken is the comparative study of civilisations. Such a subject is susceptible of a variety of interpretations; and, though to attempt to summarise his argument would be absurd, it will be convenient to indicate, however briefly, the character of the ground traversed in his opening volumes. Social thought in all ages takes its colour from the predominant interests, speculative and practical, of the world about it. Among such interests the two which have exercised the strongest pull in the course of the last century are those suggested by the words industrialism and nationality. The influence of these *eidola* on the historian's choice of subjects and methods of treatment are discussed with gentle humour in Professor Toynbee's first two chapters. That *Katharsis* effected, he turns to his main theme. Twenty-one civilisations, fourteen extinct and seven living, are identified. The remainder of the volumes is devoted to a discussion of questions relating to the origin and growth of civilisations in the light of the evidence which these specimens supply.

Compared with primitive societies, civilisations are rare and recent phenomena, with a history, as far as our knowledge extends, of little more than six thousand years. In what region is an explanation of their genesis to be sought? Neither race nor environment, Professor Toynbee argues, can be made to fit the facts. On the one hand, all

the races which have produced civilisations contain fractions which have risen little, if at all, above barbarism; while all have produced them, except possibly one, and that exception does not require the hypothesis of innate incapacity, since it is adequately accounted for by lack of opportunity arising from geographical isolation. On the other hand, almost identical environmental conditions have yielded social results which are in sharp contrast with each other; steppes and river-valleys, clustering islands and mountain plateaux have proved all alike fruitful, and all alike sterile. What remains, it may be asked, if these solutions are discarded? What remains, he answers, is not a quality or a condition, but a relation. It is the interaction of human and environmental factors, themselves both human and material, which he expresses by the formula " Challenge and Response—" the stimulus of circumstances and the reaction to it.

This conception and its applications are worked out with a wealth of knowledge and a subtlety to which it would be difficult to find a parallel. Do civilisations develop in surroundings where Nature seems propitious, or where she demands a struggle if organised societies are to be sustained, and, if some strain is required, at what point does it pass from an incitement to effort into a load which crushes it? What are the effects of change of habitat and of migration overseas? How have societies reacted to catastrophes, such as the shock of war and invasion, and to the continuous external pressure felt by frontier regions facing hostile powers or barbarism? What are the consequences of disabilities, such as those arising from caste, slavery, or religious discrimination, on the classes submitted to them? What are the criteria of the growth of a civilisation, and whence is the stimulus to growth derived? The originality of an historian is to be judged, not by his taste for excursions into the recondite and technical—excursions which, if sometimes a necessity, are not infrequently a flight from the dust of the market-place into the safety of a solitude unthreatened by competition—but by his courage in grappling with the central problems of his subject which are on all men's lips, and by his ability to find gold in ground mined for centuries. There is abundance of esoteric lore in Professor Toynbee's book, but its special quality is of a rarer kind. It consists in his power to focus his learning on large, simple and fundamental issues of permanent significance, which are the subject of history because they are the stuff of human life.

It might be inferred from so meagre an outline of the topics treated in his work that it belongs to the same category as those philosophies of history which stride from peak to peak in the thin air of abstractions, cut off by impenetrable clouds of metaphysical doctrine from the valleys inhabited by the children of men. Nothing could be further from the truth. His method—hypothesis tested by the life-histories of different civilisations—is inductive in the proper sense of that much-misused term. His societies live and move with convincing vitality. He has shown that history can be sociological without ceasing to be exciting; nor will the reader who studies the living portraits of great personalities contained in his third volume complain that the individual is sacrificed to the blind god of an inevitable evolution, or ground to dust by the play of mechanical forces. Whether his particular conclusions are to be accepted—whether his accounts of Sumeria, Egypt and Babylonia, of the genesis of Mayan and Andean cultures, of Voyaks, Lapps and Esquimaux, are not only plausible, but correct—only the specialist,

or rather only a brigade of specialists, can say. The important question is not whether his hypotheses will require to be modified in the light of further evidence, as obviously they will, but the validity of his procedure.

That procedure consists in applying to civilisations the methods employed by anthropologists in the investigation of primitive societies. He assembles all civilisations which can be discovered, and uses them as specimens for comparative study, without regard to the positions which they occupy in a chronological series, except, of course, in so far as chronology itself throws light on their characteristics. The assumption of the fundamental importance of the time sequence is so deeply embedded in the historical tradition that its almost complete rejection by Professor Toynbee is likely to cause a shock. Does not his method, it may be objected, involve the treatment on one plane of phenomena which, owing to their greater remoteness in time from each other, are too disparate to be compared? Some of the best things in his book are the passages in which he pauses to examine conventional categories of historical interpretation and the theories implied in current phraseology; one may refer, for example—to mention a few instances out of many—to his remarks on "the continuity of history," on misconceptions of the "unity of civilisation," on "the unchanging East," and on race theory and race feeling. Among such passages is one in which he replies to the objection just mentioned, and to the allied criticism that comparative methods are inapplicable in history, on the ground that its subject-matter is a string of events, of which each is unique and all are discontinuous. His argument does not lend itself to a brief summary, but to me, at any rate, it is convincing. The proof of the pudding is, however, the eating, and the best answer to the objection that Professor Toynbee has attempted the impossible is Professor Toynbee's book. He has done the job and done it with brilliant success.

To say that *A Study of History* is of the greatest interest and importance is not to say that it is faultless. To mention first two trifles. Professor Toynbee has the gift for apt quotation which is natural to a full mind, but he sometimes indulges it to excess. Readers acquainted with the works of M. Bergson do not require citations from them running altogether into several pages; while it may be doubted whether those to whom he is merely a name will derive much illumination even from extracts so copious. References to sources, again, are excellent things; but they should be confined to statements needing corroboration, not hung like a label on to every phrase which happens to be placed in inverted commas. Is it too sanguine, for example, to suggest that it is superfluous to tell the reader that the Parable of the Sower occurs in that obscure work, the Gospel according to St. Matthew?

More serious matters would require a longer discussion than is proper in a review, but two points may be mentioned. The first relates to the distinction between primitive societies and civilisations. This distinction is vital to Professor Toynbee's scheme, since, unless it is clearly made, his twenty-one civilisations would require to be increased or diminished in number, and the conclusions derived from a study of them to be correspondingly modified. Unless, however, as is possible, some passage has escaped me, his treatment of that point seems hardly proportionate to its importance. He points out that primitive societies differ from civilisations in three respects—in being immensely more

numerous, in being shorter-lived, and in embracing far smaller populations. Such external differences are obviously important; but the reader who is offered these *differentia* and nothing more is, perhaps, not wholly perverse if he wonders whether the division between the two types of organism is as clear and immutable as the author seems to imply.

The second question is suggested by the language in which Professor Toynbee describes the behaviour of societies in different circumstances. He seems sometimes to personify them. They act and react, are challenged and respond, are confronted by problems which they succeed or fail in solving. England, for example, is described as performing in the seventeenth century "a constitutional *tour de force*," and as making, in Parliamentary Government, "a political invention which provided a propitious setting for the subsequent English invention of Industrialism." If such personification were merely a mode of literary expression natural to a writer of Professor Toynbee's vivacity, it would be legitimate and, indeed, attractive. It seems sometimes to imply, however, a view of societies as homogeneous entities, as ultimate and irreducible units responding as a whole to emergencies confronting them, which is not very easy to reconcile with the facts as known to history, and which, to judge from other passages in his book, Professor Toynbee himself would hardly endorse. The point is not merely a verbal one, since it affects the view taken of the causation of social and political change, a subject to which historians, and not least Professor Toynbee, have devoted much attention. What would appear, for example, to have occurred in the case cited, and in a good many others, is that particular groups or classes chose a particular course of action, and succeeded in making their choice effective. If that is so, it is in the influences prompting the action of such groups, rather than in a "response" by a society acting as a unit, that the explanation of the developments referred to by him is to be sought. Societies, in short, as the word is commonly used, are composite bodies, whose behaviour is not intelligible till they are analysed into their constituent parts. Do not Professor Toynbee's atoms require to be split?

It is the nature of a great book to suggest problems even more than to solve them. Professor Toynbee does both. No one can put his volumes down without the sense of having moved on great heights and having been for a few hours a spectator of all time and existence. To survey so vast a field, while retaining the imaginative power to feel the imponderables, is a masterly achievement. The reader of his first three volumes will wait eagerly for the appearance of those still to come. R. H. TAWNEY.

2*. A SHORT HISTORY OF INTERNATIONAL AFFAIRS, 1920 TO 1934. By G. M. Gathorne-Hardy. Preface by Lord Eustace Percy, M.P. Issued under the auspices of the Royal Institute of International Affairs. 1934. (Oxford University Press. 8vo. 351 pp. 7s. 6d.; to members of the Institute 5s.)

As the row of Professor Toynbee's annual volumes steadily lengthens along the library shelf, the student, and still more perhaps the teacher, of international affairs is faced with the question as to how best to make their contents easily available to the non-specialist reader. The problem is not simply one of summarising a mass of information. It is also, and chiefly, one of surveying the whole

naterial with the detachment that comes from distance and of bringing ut the conclusions implicit in them as their years pass into history. n its response to this challenge the Council of the Royal Institute of nternational Affairs (if the present writer may be permitted to say o) has been well advised both in the period selected for treatment and 1 its choice of an historian. The fifteen years between 1919 and 1934 lready seem to us as contemporaries to form a period of their own, oughly corresponding to that between 1815 and 1830. Opinions may iffer as to when " the post-War period " actually ended : some may ut it at November 1929, others at September 1931, others at March 933, others at October of the same year, while others again may onnect it with the fate of the Washington Treaty. But, however his may be, it will be generally agreed that the time has come to ast a backward glance over the period as a whole.

Granted the strict limitations of time, space and documentation 1 the task assigned to him, Mr. Gathorne-Hardy has been extra-rdinarily successful. The ten volumes of the *Survey of International ffairs*, together with the six volumes of the *History of the Peace onference of Paris*, have been distilled into a book of moderate size hich is, in the true sense, an original work; for its most striking ature is the way in which its author has refused to let himself be iowed under by his material. Indeed this most readable dark blue olume, with its apt phrasing and pungent comment, offers an in-ructive contrast to its scarlet forerunners. Professor Toynbee is a hilosophic liberal : Mr. Gathorne-Hardy is a common-sense con-rvative. Both, equally grounded in the classics, have schooled iemselves to see the world steadily and see it whole. But, while rofessor Toynbee looks out on mankind with ardour, not unmixed ith apprehension, Mr. Gathorne-Hardy's attitude is one of kindly lerance, not unmixed with amusement. Professor Toynbee adorns is title-pages with quotations, of an apocalyptic tendency, culled from ie Old Testament, Lucretius and Vergil : Mr. Gathorne-Hardy, on ie other hand, seeks inspiration or comfort in the worldly wisdom f Horace. Thus, since the great expectations of 1919 left him latively cold, he has been less disillusioned by their non-fulfilment : deed the pages in which he analyses the Wilsonian gospel, though iey will not commend themselves to all readers, are among the ost interesting in the book. In any case, his Horatian equanimity ands him in very good stead in recounting the record of these troubled ears. But is it fair to the reader to leave him, as he is left in the oncluding sentences, in the state of breathless suspense induced by ie serial novelist when the next instalment is not due till 1949?

ALFRED ZIMMERN.

MAURICE DE BUNSEN, DIPLOMAT AND FRIEND. By Edgar T. S. Dugdale. 1934. (London : John Murray. 8vo. xii + 359 pp. Illus. 15s.)

THIS complete and well-balanced account of a distinguished career oroad in the service of the Crown may well appeal to a wider circle of aders than those who concentrate their attention on state business. r Maurice de Bunsen passes from one diplomatic post to another; hatever rank he held he is seldom out of touch with affairs of import-ice, and the account of them presented in this book is almost an oitome of British diplomacy in the past fifty years. But it is also the ie story of a man with qualities developed by varying experience of

social life, and his biographer might with equal success have inverted the title into that of "Friend and Diplomat." Few can have had wider experience of the machinery of British diplomacy, and this book bears witness to the kindly interest with which, in a busy life, he followed the subsequent work of those who were at any time associated with him.

Washington, then Madrid, Paris, Japan, Siam in the subordinate ranks brought him eventually to Constantinople, at that time deemed to be an almost indispensable stage in a satisfactory training; with it came very responsible work—the Cretan insurrection and its result, the war between Turkey and Greece of 1897 and the peace conferences which leave an outstanding Cretan question, rows on the Montenegrin-Albanian frontier, followed, as the biographer shrewdly remarks, by comparative peace. Then marriage and return to Constantinople, Paris, Lisbon, Madrid with a long series of difficult negotiations in connection with the Morocco question, and then Vienna at the end of 1913.

The nine-months mission to Vienna in 1913–1914, to which Chapter XII is devoted, is most correctly described as crowded with more complexities and dangers than was the whole of de Bunsen's diplomatic career put together. Though the chapter is full and though the extracts from correspondence leave an impression of judicious selection, any further illustration of his views on these very vexed questions would have been welcome. In the attempts to unravel the numerous tangles left by the Balkan Wars of 1912–1913 the opinion expressed in the text is only too true—that the main obstacle to peace was the deep-seated hostility between Austria and Serbia. But would Sir Maurice have quite agreed with the statement that the Serbian propaganda, which was a constant irritation to the Austrian Government, was for the recovery of certain large districts of territory governed by Austria which contained a large proportion of Serbs? The word "recovery" could only have a remote application to Bosnia while the rest of the territory of much greater extent claimed and obtained by Serbia had not before been under Serb rule. In his opinion, formed at the time, the Serbian answer (p. 196) was a complete acceptance of the Austrian Note except on a few points as to which she formulated reserves which might be submitted to arbitration. But the Note demanded the arrest of the man who held the threads of the murder plot in his hands; he was not forthcoming—early warning had reached Belgrade that he was being looked for—while the cooperation of the Austrian police in the search for him was refused. In 1917 the truth comes out—the connection of this man with the Black Hand, the murderers and the General Staff in Belgrade—and leaves the impression that had he been caught in 1914, it would have been difficult to deny to Austria any satisfaction that might have been demanded. The rest of the Note need scarcely have been written.

JOHN DE SALIS.

4*. FASCISM AND SOCIAL REVOLUTION. By R. Palme Dutt. 1934. (London: Martin Lawrence. La. cr. 8vo. xi + 296 pp. 5s.)

5*. B.U.F.: OSWALD MOSLEY AND BRITISH FASCISM. By John Drennan. 1934. (London: John Murray. Cr. 8vo. 293 pp. 7s. 6d.)

IT would be difficult to find two books more diametrically opposed than these in their advocacy. They are both too long, overladen with quotations, indiscriminate in their praise and blame; but they certainly

succeed in pressing home their respective points of view. Mr. Drennan is saturated with Spenglerism, Mr. Dutt's gospel is Karl Marx. Fascism, according to the former, is "an insurrection of feeling against the conditions of the modern world": according to the latter, it is "the violent attempt of decaying capitalism to defeat the proletarian revolution." The rhapsodies developed from these themes could hardly be expected to harmonise.

Mr. Drennan is a warm admirer of Sir Oswald Mosley, and believes that the Blackshirt movement is a factor to be seriously reckoned with in our British politics. He is ingenious in justifying the changes in his leader's party allegiance; but his very ingenuity exposes him to Mr. Dutt's bludgeon. For Fascism, says Mr. Dutt, is only a variant of Social Democracy, a combination of deception and coercion; and social democracy, as represented by the Labour Party, is the real bulwark of conservatism in Britain. Thus in this country we are moving tortuously towards Fascism, as Italy, Germany and Austria have done, and as even France is doing; and the only remedy is, as in Russia, to forestall its arrival by the prompt victory of the proletarian dictatorship. Those who can bring themselves to accept this point of view will find an abundance of vituperative corroboration in Mr. Dutt's treatise. MESTON.

6. POLITICAL HANDBOOK OF THE WORLD, 1934. Edited by Walter H. Mallory. 1934. (New York: Council on Foreign Relations. 8vo. 202 pp. $2.50.)

IN this Handbook what is regarded as the "essential information" about all countries in the world is given in a clear and succinct form—"the composition of the governments—the programmes of the political parties and their leaders—the political affiliations and editors of leading newspapers and periodicals." There are also sections on the League of Nations, World Court, and International Labour Office. The greatest difficulty confronting the editor of any such publication is the rapid change in governments. In this respect the present Handbook is already out of date in regard to several countries, a factor which will, of course, be remedied in the next edition, which will appear in February 1935. The Handbook is a mine of most useful information put together in a manner that makes it easily accessible to those readers desirous of verifying some fact in a hurry. But it seems a pity that—presumably—considerations of space have led to the grouping together of a number of small States—Afghanistan, 'Iraq, Danzig, Nepal, etc.—on two pages. It is not seldom in regard to these countries that the reader needs information. I. F. D. M.

## THE LEAGUE OF NATIONS AND INTERNATIONAL LAW

7*. THE DEVELOPMENT OF INTERNATIONAL LAW BY THE PERMANENT COURT OF INTERNATIONAL JUSTICE. By H. Lauterpacht. 1934. (London: Longmans, Green & Co. 8vo. 111 pp. 6*s*. 6*d*.)

IN this little book, which is composed of lectures delivered at the Graduate Institute of International Studies at Geneva at the beginning of 1934, Dr. Lauterpacht deals, with his usual ability, with certain aspects of the work of the Permanent Court of International Justice at The Hague. He disclaims any intention of giving a complete picture of the Court's work, but has selected five topics for discussion: the law behind the cases, judicial caution, judicial legislation, effective-

ness of the law, and the Court and State sovereignty. The author has sought in the decisions of the Court—which, be it remembered, already number more than sixty and constitute an imposing body of judicial exposition—underlying principles of general application. He examines certain tendencies in the Court's approach to the questions brought before it and discusses their bearing upon the development of international law. The Court is a living institution with a living and continuous tradition, which has already made its mark upon the law of nations and will in the normal course of events have far-reaching effect as time goes on. As the author shows, the Court's work has revealed two opposite but complementary characteristics—judicial caution and judicial courage—which are of the best augury for the future. So far it can fairly be said that the Court has kept its feet on the ground and its head in the air. Its decisions have shown respect for established rules and principles combined with readiness to expand and develop them by judicial interpretation. Without claiming that the Court is infallible, there can be no doubt that its work up to the present inspires confidence and respect, and justifies great hopes of its future as an instrument for the development of international law. This book is a valuable contribution to the understanding of the Court's meaning and mission. ALEXANDER P. FACHIRI.

8*. STATELESSNESS: WITH SPECIAL REFERENCE TO THE UNITED STATES. By Catheryn Seckler-Hudson. 1934. (Washington, U.S.A.: The Digest Press. 8vo. xxii + 332 pp. $3.00.)

THE legal determination of citizenship is one of those problems which, although primarily matters of "domestic jurisdiction," nevertheless have a substantial international importance. Perhaps the most difficult part of the law of nationality at the present day arises out of the fact that the world now contains several million people who have no lawful citizenship at all. By reason of the diversity of national laws this question of statelessness has now become so complicated that its complete analysis is beyond the competence of any individual writer, and Miss Seckler-Hudson has done wisely in approaching her study entirely from the point of view of American law and practice. Such references as she makes to international law and the laws of other countries are subsidiary to the main purpose of her book.

She tells us (p. 22) that there are no less than eighty-six different causes which may render any person stateless in the eye of the United States' law. If such figures are even approximately true of other countries, the reader may gather some idea of the complication of the problem, although it is probably true that in the United States, with its heterogeneous population, the practical difficulties are more acute than elsewhere. The greater part of her book consists of three chapters in which these diverse causes of statelessness are classified in three main groups. Two short chapters, each of which might be expanded with advantage, deal with the consequences of statelessness and with the possibilities of curing the evil through international or domestic action.

Miss Seckler-Hudson has given us a work of scholarship, carefully compiled and well documented. A certain indifference to literary form makes it rather a work of reference than a book to read, but it should prove of great practical value to all who may be concerned with the American law and practice upon this difficult problem.

The book forms the first of a series of "American University

Studies in International Law and Relations," which will be published under the auspices of the American University Graduate School. Laudatory prefaces are contributed by Professor Stowell and Dr. J. B. Scott. The latter tells us that the United States "have been since their independence the refuge and the hope of the distressed of well-nigh every nationality." A study of the cases collected by Miss Seckler-Hudson may lead some readers to doubt whether the distressed would always share this opinion. H. A. SMITH.

9*. SOME ASPECTS OF THE COVENANT OF THE LEAGUE OF NATIONS. By Sir John Fischer Williams. 1934. (London: Humphrey Milford. 16mo. vii + 322 pp. 10s. 6d.)

THIS little book displays to the full the qualities which one expects from the author: lucidity, sane judgment, and legal penetration without pedantry. To my mind it is one of the best commentaries on the Covenant, if not the best, that has appeared. True, it falls into a small compass, but nothing important is omitted, and the conciseness of the treatment brings out the fundamental points without confusing the reader by detailed discussion of minor questions and subtle difficulties. Sir John Fischer Williams begins with an account of the origin of the Covenant and then passes to an examination of the nature and constitution of the League. Its primary purpose—prevention of war—is kept well in the forefront, and all the great political problems with which it is connected are discussed, such as revision of treaties, mandates and minorities. The Geneva Protocol, the Briand-Kellogg Pact and the General Act are also considered in relation to the Covenant.

The author, although a staunch supporter of the League, writes with a moderation that makes his commentary the more impressive. This book confirms and strengthens the view, which most sensible people who have studied the subject must hold, that the Covenant is admirably designed for effecting its purpose and, if fairly and honestly applied, would be sufficient as it stands for the establishment of a new and better international order, in which war, if not theoretically impossible, is at any rate very difficult in practice. Good faith in the observance of the existing obligations of membership is infinitely more important than the closing of the "gaps in the Covenant" by further elaborate machinery. ALEXANDER P. FACHIRI.

10*. A BETTER LEAGUE OF NATIONS. By F. N. Keen. 1934. (London: Allen and Unwin. 8vo. 160 pp. 5s.)

MR. KEEN pleads for a new world order based on the prohibition of war. He puts forward a new draft League Covenant (printed in full in an appendix) designed to close up the loopholes in the present instrument. The principal changes he suggests are the abolition of the unanimity rule, the compulsory submission of all kinds of disputes to the Hague Court or to a "Tribunal of Equity"—apparently a kind of permanent Lytton Commission—to be set up at Geneva, and the grant to the Assembly of powers of international legislation over a wide range of subjects conditional on a three-fourths majority.

It is clear that such a scheme assumes the impartiality of international tribunals and the disinterestedness of the League Council. The author does not discuss the actual forces which even the best of Councils could employ to enforce an award of international law against the defiance of a selfish and powerful member. Nor does he show how his plan could be realised in a nationalist and autarchic world. J. G.

11*. THE LEAGUE, THE FAR EAST AND OURSELVES. By the Earl of Lytton. 1934. (London: League of Nations Union. 8vo. 16 pp. 6*d.*)

Lord Lytton, in the Ludwig Mond Lecture in the University of Manchester delivered on May 17th, 1934, shows that the failure to solve the crisis in the Far East has "diminished the confidence of the world in the collective system of maintaining peace" and suggests a possible line of policy.

## ARMAMENTS AND PEACE

12*. SEA POWER IN THE MODERN WORLD. By Admiral Sir Herbert Richmond. 1934. (London: G. Bell. 8vo. 266 pp. 10*s.* 6*d.*)

13*. A SEARCHLIGHT ON THE NAVY. By Hector C. Bywater. 1934. (London: Constable. 8vo. vii + 308 pp. 10*s.*)

THE work on sea power is written by the Professor of Naval History at Cambridge, an Admiral who has an unchallenged position as the Mahan of our day. Naturally his views do not bear the imprimatur of the whole Flag List, for he has far too much originality to be entirely acceptable to the grey-heads of the Navy. In fact, though a bit of a revolutionary myself, I believe he strays too far from the path of orthodoxy in advocating the reduction of the tonnage of a battleship to that of existing cruisers. The conditions are not made the same for all nations by merely settling that all vessels shall be below 6500 or 10,000 tons.

*A Searchlight on the Navy* points out our own shortcomings, and is an excellent summary of the conditions that are the subject of the naval conversations of to-day and of the conference of 1935. It is written by the ablest and most stimulating of our naval journalists. Both authors stress the fact that there is no question of air power versus sea power, for sea power, as the historian points out, is the ability to control movements at sea, whether of military forces or goods. If aircraft affect this control they simply become instruments of sea power. The absurdity of considering air weapons separately is illustrated by the fact that the submarine may no longer sink a merchant ship at sight, but there is nothing to prohibit an airplane doing so by bomb or torpedo.

Aircraft are as vitally interested as are ships in our oil supplies, and politicians should certainly read the alarming chapter on oil fuel on p. 113 (Bywater), where it is related how, in spite of all efforts, our oil fuel was reduced to three weeks' supply at one period of the War. He tells us of the dangerous steps we had to take. He could have added to the list, for we had to implore the United States to send only coal-burning ships; and to the fact that all merchant ships were ordered to bring home oil in their bottoms, he might have added the information that a reduction of speed was entailed, so adding to the losses by submarine attack. Such dangerous mistakes should never occur.

Both our authors are endeavouring, not altogether unsuccessfully, to revive that confidence in the Navy that has been so seriously undermined since the War, and which Mr. Bywater dates from the Battle of Jutland. He devotes a chapter to the matter headed "The Navy in Eclipse." This dreadful legacy was foreseen by those who were agitating for a Navy, prepared by an adequate War Staff, in the years preceding the War.

Both volumes are indexed, the historian's being a particularly good one. While the work of Sir Herbert Richmond will be of enduring

value to be read at leisure, that of Mr. Bywater is a more direct approach to our immediate problems. Both authors write with anxious eyes on the Naval Conference, and the price the nations have to pay. Nearly all the four hundred millions of people in our Empire must hope that we may be permitted to develop in peace for many years and to wipe out the War's great injuries. The nature of the insurance we require in sea power will be better understood after reading the two books. Is Japan going to denounce the Washington Naval Treaty of February 1922? Are we in for a fresh era of building battleships of 35,000 tons with the knowledge that the two new French battleships of 26,500 tons are to cost £6,000,000 each? Successive Conferences merely postponed building, and now that ships are falling obsolete is the race to be resumed? Both these books will help to an appreciation of the merits and solutions of such problems, and ought to be read by politicians and students of international affairs.

CARLYON BELLAIRS.

14*. DISARMAMENT AND EQUAL RIGHTS: facts and problems dealt with in the negotiations on disarmament and equal rights, 1933–1934. Edited by Richard Schmidt and Adolf Grabowsky. [Special Number of *Zeitschrift für Politik.*] 1934. (Berlin: Carl Heymanns Verlag. 8vo. 284 pp.)

THE facts and problems dealt with are given in eleven "Treatises" by Dr. Karl Schwendemann, Baron von Rheinbaben, Dr. Grabowsky, Major-General Michelis, Professor Moldenhauer, Major-General Soldan, Major-General Helmutt Wilbey, Major of the Police Botho Elster, General Horst von Metzsch and Dr. Megerle. The German point of view is given clearly and incisively, following closely the consistent attitude of the German delegation throughout the Disarmament Conference. There is little fresh material for those who have studied the proceedings in Geneva. Naturally the most is made of the strong German case for equality through a general qualitative disarmament and of the claim that all countries should have the right to possess armaments that are regarded as necessary for defence.

The writers who deal with Control, Budgetary Limitation, Manufacture and Traffic in Arms, are all more concerned to show the duplicity of the French than to give reasons for the attitude taken by the German delegation consistent with a genuine desire to help forward disarmament. It must be admitted that many of the difficulties raised are serious, but the writers under-estimate the strength and sincerity of public opinion in many countries behind the delegates who are trying to overcome them. Major-General Wilbey, who writes on Air Disarmament, brushes aside altogether the demand for control of Civil Aviation as if it were purely a French trick to hide unwillingness to give up Military Air Forces. One might have expected at least a statement of German opinion as to the objections to such control. With regard to Police Forces and quasi-military formations the German case is well described, but in the nature of things carries little weight.

There is no treatise on the question of "security" and no attempt by any writer to see anything in French policy except a determination to obstruct disarmament. Dr. Grabowsky's attempt to justify Germany's action in withdrawing from the League of Nations is full of quite unconvincing words.

A considerable Bibliography, called "A critical guide to the International Literature on Disarmament since 1931," in which no

attempt is made to be impartial, is followed by a useful collection of documents, giving a number of the principal speeches by Hitler and von Neurath and some of their press interviews, as well as the Notes exchanged between the German, French, Italian and British Governments in the winter of 1933. HILDA CLARK.

15*. FORCE. By Lord Davies. 1934. (London: Ernest Benn. 8vo. x + 242 pp. 21s.)

ONE cannot but feel grateful to a British writer who has realised the importance of bridging the gulf between the Continental and a section of British opinion on the subject of force, and who has taken the trouble to expound the subject with fullness and to track down in trenchant language the fallacies with which it has become surrounded.

Lord Davies has chosen for his text Pascal's aphorism on the Union of Force and Right, the authorship of which is in itself an indication that it is often those who are themselves the most spiritually-minded who have the closest hold on political and social realities. In some present-day pacifist literature Force, irrespective of the motive behind its use, is treated as though it were an entity in itself, a sort of embodiment of the power of evil. The reaction against Force has, in fact, become a kind of *idée-force*. The dictatorship thus exercised by slogans and catchwords is one of the influences most inimical to the scientific analysis of political problems.

Unfortunately, however, Lord Davies has fallen to some extent a victim to the same temptation himself, for in his mind the idea of an International Police Force has apparently come to occupy the central place which Force pure and simple occupies in that of others. In point of fact, his argument in favour of such a Police Force is as much open to criticism as the pacifist arguments which he is at such pains to demolish. For, apart from the technical difficulties involved, the feasibility of such a project depends upon the acceptance by the public opinion of the world of the view that problems of war and peace are to be dealt with from an international standpoint; in such an event, of course, the proposed Police Force would not be needed.

One cannot help regretting that a man like Lord Davies, who really cares about making the world better, should have succumbed to the temptation which so often besets idealists, of being carried away by a particular project which, however attractive in itself, is not the need of the moment. Were Pascal living to-day, is it likely that he would have thrown his energy into the scheme for an International Police Force? Is it not more probable that, instead of devoting his attention to evolving a new piece of machinery, he would have employed his authority to educate the public as to the use of an instrument already in existence, namely, the Covenant of the League of Nations? LUCIE A. ZIMMERN.

## ECONOMIC AND FINANCIAL

16*. THE CANADIAN ECONOMY AND ITS PROBLEMS: Papers and Proceedings of Study Groups of Members of the Canadian Institute of International Affairs, 1933-1934. Edited by H. A. Innis and A. F. W. Plumptre. 1934. (Toronto: Canadian Institute of International Affairs, 43 St. George Street. Cr. 8vo. 356 pp. $2.50; to members of the Institute, 6s.).

As an economic unit, Canada is in many respects especially interesting, and this exposition of her resources, difficulties and problems, set

forth by study groups of the local Institute, does full justice to its subject. A debtor country, dependent for solvency and prosperity on the world market in wheat, metals and newsprint, Canada has felt the stress of the economic blizzard with exceptional severity; and, as has happened to so many other countries, certain rigidities in her business structure have made it difficult for her to adapt its fabric to the exigencies imposed by the storm. In a summary of a round table discussion of "problems of rigidity in the Canadian Economic Structure," Mr. K. W. Taylor points out that as far back as recorded statistics go, the prices of Canadian exports have always fluctuated more violently than those of her imports, and this feature has been accentuated by the growth of a world economy and the application of mass production technique to raw materials; against this volatility in income, rigidity in costs and expenses has been inconveniently persistent:

"Large parts of Canada are amazingly endowed for the production of some one thing, but one thing only. Over a great part of the West, it is 'wheat or nothing.' In large areas of the northern parts of Central Canada it is 'pulp and paper or nothing,' or 'copper or nothing.' And so it goes on. Vast areas of Canada, which under a happy conjunction of economic events are great sources of wealth, simply have no alternative economic activity."

This disability, of course, is common to most countries, in nearly all of which local specialisation is a necessary part of modern industry. So also, in varying degrees, are the rigidities due to the immobility of capital and labour, the cost of government, corporate and private debt, commercial interest rates and (perhaps fortunately from the point of view of consumption) rates of wages. But Canada has special rigidities in the lack of flexibility in the internal organisation of her large-scale manufacturing industries, in most of which a handful of corporations control from 75 to 95 per cent. of the output, maintaining "an expensive coast-to-coast selling and distributing organisation, with its consequent burden of overhead costs and a high degree of internal or managerial rigidity"; the tariff, again, keeps prices of manufactured goods rigid, assisted by price-fixing arrangements among manufacturers; while

"a country of great length and little depth, a climate that builds up enormous peak-load costs in a few weeks or at most in a few months of the year, demand a quantity and quality of permanent capital works in railways, shipping, canals, harbours and terminals that are in full use for only a small part of the year. These things are reflected both in the public debt and in the expensive transport system."

And so, as the price of wheat falls, freight charges absorb an ever-increasing proportion of the selling price.

And wheat, as we all know, is not only cultivated at a loss—made good by the taxpayer and the consumer—by a large number of countries in which it is grown for social, sentimental and political reasons, but declines in importance as human food as the standard of life rises and permits of a more varied and richer diet. Against this unpromising outlook for her cereal output, Canada can set certain compensating comforts—the high price of gold, thanks to monetary depreciation in England and the United States, the revived demand for nickel, stimulated by the eagerness of European and other countries to make ready for the next war, and the craving of the public on both sides of the Atlantic for cheap and voluminous newspapers and magazines, providing an inexhaustible market for Canada's unrivalled forests and forest industries.

Canadian economy is thus not merely a problem, but a bristling

mass of problems, and the Institute groups' examination of them is full of varied interest, to which no review of the length to which this one is confined can do full justice. Ultimately the core of the difficulty lies in the effort to restore equilibrium between domestic prices and export prices; and on this point Mr. F. W. Burton raises the question of inflation as a remedy, showing that a policy of inflation would have two aspects—the exchange value of the Canadian dollar would be allowed to fall, and money would be pumped into circulation by government expenditure on public works. The fall in the exchange would raise the domestic price of Canada's exports, and so would reduce the internal disequilibrium; and government expenditures would relieve unemployment temporarily, but

"can only bring about a genuine recovery if the increase of profits which results from inflation provokes a new flow of private investment sufficient to continue the stimulating effect of the expenditures after they have ceased. There would be no reason to expect such a flow of private investment in Canada, since in our case investment, whether in private or secondary industry, must wait upon the prosperity of our primary industry—in other words, upon the state of our markets abroad. We can achieve equilibrium by ourselves—but not a boom."

But it may be suggested that equilibrium achieved through inflation depends for its permanence on other currencies "staying put." If it led to a general inflationary race, it would produce nothing but chaos for all parties. And so to Canada, as to England and most other countries, the all-important question of the future is, What is going to happen to world trade and international finance and world markets? This question is very ably discussed, and left on a note of interrogation, in a paper contributed by Professor Gilbert Jackson, on the "World in which our Central Bank will work." Canada, as we all know, is instituting a central bank to coordinate the work of the commercial banks which won so much prestige for themselves and their country during the crisis that has shaken the banking systems of so many nations. Professor Jackson shows that the new central bank may find that it has been launched in a world in which equilibrium is impossible; or that the world in which it has to function holds some promise of restored equilibrium, given an unprecedented degree of unselfish cooperation among governments and central banks; but he fails to see what conceivable programme can give us back in permanence our economic equilibrium, and make unnecessary the great readjustment for which, in his opinion, we must look.

HARTLEY WITHERS.

17*. ECONOMIC RECONSTRUCTION: Report of the Columbia University Commission. 1934. (New York: Columbia University Press; London: Humphrey Milford. 8vo. xv + 250 pp. 15*s*.)

18. INTRODUCTION TO WORLD ECONOMICS. By Kemper Simpson. With a Foreword by Senator E. P. Costigan. 1934. (London: Allen and Unwin. 8vo. xvi + 295 pp. 10*s*. 6*d*.)

19. THE ECONOMIC CONSEQUENCES OF PROGRESS. By Roy Glenday. 1934. (London: Routledge. 8vo. xv + 302 pp. 12*s*. 6*d*.)

BELIEVING that universities have a special function to fulfil in helping mankind in time of trouble, Dr. Nicholas Murray Butler, President of Columbia, wrote towards the end of 1932 a letter to his Professor of Sociology (R. M. MacIver), suggesting that a committee of economists and engineers should be formed to investigate scientifically the causes of the slump and the possibilities of its cure. *Economic Reconstruction* is the Report of this Committee, whose membership was

not confined to Columbia. The General Report is signed by Professor MacIver (in the Chair), by J. W. Angell, J. M. Clark, A. D. Gayer, A. H. Hansen, W. C. Mitchell, George Soule, and Josef Schumpeter (economists), by J. W. Barker (Dean of the Columbia School of Engineering), by Alvin Johnson (Director of the New York School for Social Research), and by H. S. Person (Director of the Taylor Society).

The main report is not very novel or exciting, and suffers from the tendency of all documents of the kind to seek refuge in generalities at critical points where agreement has been difficult to secure. Its first half deals with monetary policy. Without making any show of dogmatism in the matter, the Committee conclude that it would be wise for the United States to return to the gold standard (and stay there) on the fulfilment of certain conditions as to its future working. Further, they desire the national and international stabilisation of the general level of prices for a long-term norm. They are not unaware of the danger of inflation which such a policy brings to a country whose productivity is increasing, but they hope that this may be avoided if steps are taken (though they do not clearly indicate what steps) to raise money incomes at a sufficient rate to avoid a general expansion of profits. After the experience of the last decade it reads strangely for American economists still to desire to take out their increasing productivity in rising money incomes rather than in falling commodity prices.

In the second half of the General Report under the title "Steps towards a Planned Economy" we find (rather oddly) a discussion of company and banking legislation, and of the attitude of the State to education, insurance, pensions and labour conditions. It is evident that in America "Planning" means something much milder than it does anywhere in Europe. The Report makes only slight reference to the Recovery Campaign. In suitably worded reservations Professors Angell and Schumpeter dissociate themselves from the hesitancy of the main report, and desire an immediate, unconditional and definitive return to gold.

Of the eight Special Reports by individual members of the Committee (which together occupy more than half the volume), the four written by Dr. Gayer are the most interesting part of the whole book. They deal with the post-War working of the gold standard, public works and trade cycle theory in general. Dr. Gayer is clear that the United States failed to observe the "rules of the gold standard game" when they sterilised gold after 1925, and that in refusing to deflate effectively we also were guilty during the period in question. But, as he points out, if America had not sterilised, the stock market boom would have developed even earlier.

"Those who condemn the pre-depression policy of the Federal Reserve authorities in their departure from gold-standard orthodoxy should, in consistency, realise that these principles would have required that an inflationary boom of probably much larger proportions should have been allowed to develop at certainly a much earlier date For America had a greatly excessive gold stock and on pre-War principles should have permitted it to have its full influence in raising prices. In no other way could she, with her high tariff wall, or possibly even without it, have developed a sufficiently large adverse balance of trade to relieve her of her surplus gold" (p 137).

This is the real dilemma, and Dr. Gayer sees no way out.

On the other hand, from pp. 180–181 of the *Introduction to World Economics*, it is clear that Dr. Simpson does not even see the existence

of this dilemma. On the whole his book is nevertheless excellent. His purpose is descriptive rather than theoretical. He presents with ample statistical illustration a comparative survey of the industrial structure, banking systems and foreign trade of the United States, Britain, France and Germany—a survey which is both balanced and well-informed. His whole edifice is used with great force and effect to show the essential interdependence of the Great Powers in economic matters, and the book concludes, suitably enough, with an attack upon tariffs and tariff-makers, both in the United States and elsewhere. It deserves to be widely read, both by students and by the general public.

Mr. Glenday shall speak for himself.

> "The peasant migrated to the town and produced that bastard 'pseudo-nomad,' the International Liberal. His creed was neither the Liberalism which a re-emergent peasant France gave to the world in the eighteenth century nor the patriarchal Socialism of unified Germany in the nineteenth; it contained undigested elements of both. It has even now no settled view, religion or social structure. Like the development of natural science with which it has been associated, it has been more concerned with exposing past errors than with constructing a new code of life. . . . This arrogant intelligentsia . . . had not perceived that while they were drearily debating their theories, that which had been the life-giving force of 'investment' was being transformed into the death-dealing cancer of 'usury' . . " (pp 144–146).

As I am myself an International Liberal and a member of his "arrogant intelligentsia," there is little I can say that would not sound trivial or absurd beside such a passage as the above. Besides, the economist must appeal to reason, and Mr. Glenday is interested almost wholly in the emotions. Suffice it to say that he sees (pp. 214–223) little hope for this country unless it is prepared to adopt some form of Fascism, and that he has invented (p. 236) a criticism of Mr. Keynes which is at least highly original. The latter was unwise enough, not only to believe that the standard of living may reasonably rise to four times its present level within the century, but also to show some enthusiasm at this prospect. Mr. Glenday, on the other hand, considers such a rise not only unlikely, but positively undesirable. For if it came about we should merely sacrifice spiritual values still further to material welfare. HAROLD BARGER.

20*. DOCUMENTATION ÉCONOMIQUE: Quarterly Review. Edited by Robert Mosse, Professor of Economics at the Faculty of Law at Poitiers, France. No. 1, May 1934: viii + 46 pp.; No. 2, August 1934: iv + 56 pp. Annual subscription: 50 *frs*.

THE purpose of *Documentation Économique*, a new periodical issued under the patronage of leading French economists and sociologists, is to provide, for convenient reference, an index to articles on economic questions published in the leading reviews of the world. In addition to the titles of articles and their source, summaries of their content are provided by qualified specialists. The entries are classified according to subjects and printed on one side of the paper only so that they can be pasted on cardboard and filed. The periodical appears four times a year, in February, May, August and November, and covers in each case the articles appearing in the preceding quarter.

## BRITISH COMMONWEALTH OF NATIONS

21*. CONSULTATION AND COOPERATION IN THE BRITISH COMMONWEALTH: a Handbook on the Methods and Practice of Communication and Consultation between the members of the British Commonwealth of Nations. Compiled by Gerald E. H. Palmer. With an Introduction by Professor A. Berriedale Keith on the Constitutional Development of the British Empire in regard to the Dominions and India from 1887 to 1933. Issued under the auspices of the Royal Institute of International Affairs. 1934. (London: Humphrey Milford. 8vo. lix + 264 pp. 12*s.* 6*d*; to members of the Institute, 8*s.* 6*d.*)

WHEN the reviewer has testified that this is an unusually useful handbook, it is difficult for him to know how to proceed; for it would not be playing fair either with the compiler of the book or with its readers to raise questions of theory and policy which the compiler has deliberately excluded. The great merit of the book is that it gives us the essential facts. It summarises within little more than two hundred pages every existing institution and method of intra-Commonwealth cooperation. So far as the present reviewer can discover, no fact of any importance has been omitted. Nor has it been possible to detect a single error.

In making his book Mr. Palmer has depended both on documents and on personal inquiry. He compiled his first draft in 1932, and circulated copies of it to authorities in Great Britain and the Dominions. In Canada and in Australia members of the Institutes of International Affairs took considerable pains in criticising the draft and suggesting additions to it. Individuals in South Africa and the Irish Free State, a committee in India, and members of Chatham House in London, rendered similar services. All this is explained in the preface; but it is desirable to state it here; for the reader who contemplates buying a handbook wants first of all to be absolutely sure of its completeness and its accuracy.

The first section of the book describes the machinery of cooperation. In reviewing this machinery, the handbook takes in turn Great Britain, each of the Dominions, and India, describing first the departmental organisation at the seat of government, secondly the representation in other Commonwealth capitals—or solely in London. (It is noteworthy that the Dominions are concerned almost exclusively with an organisation which links them with London: they take little trouble to secure continuous contact with each other.) Diplomatic Representation of the Commonwealth through the normal British channels, and of the three Dominions who have begun to establish separate representation, is next dealt with. Then comes defence, which is described first from the point of view of Dominion organisation and policy; secondly, from the point of view of coordination (Committee of Imperial Defence and Imperial Defence College).

With equal system Section II describes the practice and procedure for representation at international conferences and for the negotiation and ratification of treaties. "Treaty-making power was inherent in Dominion status," and so the problem of the last decade has been the establishment of conventions which would safeguard the Commonwealth as a whole (*vide* the Imperial Conference recommendations of 1923 and 1926). When the Great Seal of the Irish Free State was struck in 1932, full Dominion control at every stage of treaty negotia-

tion was finally established. The unity of the Empire even in major questions of foreign policy must therefore rest on good sense and good feeling. This section ends with a list of post-War treaties binding on all members of the Commonwealth and a note on the very curious international status of India.

Section III describes the agencies for inter-Imperial economic cooperation, most of which were examined in the Skelton report. On p. 210, with a reference to the Imperial War Graves Commission and a proposal made by Mr. Bruce in 1924, the book makes its first approach to the problem of improved organisation. In Section IV it opens up this problem, indirectly, by recording past proposals for improved machinery and the grounds on which they were rejected.

The material contained in the handbook can only be understood in historical perspective. Professor Berriedale Keith offers this perspective in an introduction setting out the salient facts of constitutional development within the British Empire from 1887 to 1933.

W. K. HANCOCK.

22*. THE AIR ANNUAL OF THE BRITISH EMPIRE, 1934-5. Edited by Squadron-Leader C. G. Burge. Vol. VI. 1934. (London: Pitman. 8vo. xlviii + 814 pp. 21s.)

THIS, the sixth, edition of the *Air Annual* richly deserves the chorus of praise which has hailed its appearance. It is a comprehensive, handsomely produced and admirably illustrated encyclopædia of information regarding every form of aeronautical activity throughout the Empire. Space precludes even an enumeration of its outstanding features; chief among them is the technical section, reprinted in French and in Spanish, which reviews the progress and products of the Aircraft Industry. Study of this section, together with that which deals with the Royal Air Force, confirms recent Press criticism of the equipment of that arm. Three of the squadrons were re-equipped so long ago as 1925, and the majority of the aircraft throughout the Force are of obsolescent types. Some of the machines were designed six or seven years ago, a period which has witnessed many technical advances both in design and in construction.

The survey of British air transport reveals a considerable extension of route mileage and welcome progress in commercial flying both at home and on the Imperial air routes. In view of the comparative slowness of our air liners, to which public attention was recently drawn by the remarkable achievement of the Dutch machine in the Melbourne Air Race, the remarks on page 65 are of special interest. The disparity between British and American cruising speeds is stated to be in some cases as much as 70 miles per hour. But what is perhaps more important is that the Dutch, the French and the German commercial machines are generally speaking faster than our own.

The explanation both of the obsolescence of our military aircraft and of the slowness of our air liners does not lie in any decline in technical skill in design or construction—there is ample proof of the contrary; the cause of both deficiencies may be summed up in one word, economy. We have balked at the cost of re-equipping our Air Force and our subsidies to commercial flying have been on a much smaller scale than that which obtains on the Continent and in the United States.

It may well be doubted whether this policy connotes true economy. Among its baneful results is the loss of our long-established lead in aircraft exports; according to reliable American statistics the total

sales in 1933 were: U.S.A. $9,203,000 as against $6,210,000 British. These figures have a military as well as a commercial significance, since an aircraft industry is the foundation of national air power.

In the commercial sphere parsimonious State aid has resulted not only in a lack of cruising speed—a severe handicap—but also in an air route system which, despite the immense scope offered by the Empire, is, by comparison with the German and French, little more than a skeleton development. This is strikingly illustrated by the figures given on page 101 of the *Annual*; these also reveal that in 1933, France had 134 aircraft employed in regular air transport, Germany 172, and Great Britain 23, including machines upon the Imperial air routes. The disparity in carrying capacity is not, however, as great as these comparative figures appear to indicate, since our air liners are on an average larger than those of our continental competitors.

There is room to mention but one more feature of this instructive volume, namely, the articles dealing with Imperial Defence Problems and Air Control. Flight-Lieutenant Kingston-McCloughry's full and ably written account of the latter should give pause to those who are opposed to the British reservation at Geneva in regard to what is popularly but somewhat inaptly termed " police bombing."

The contents of this excellent work of reference have a bearing upon so many vital issues—international, Imperial and commercial, as well as naval, military and " Air "—that it should command a wide circulation not only in this country but also throughout the British Commonwealth. P. R. C. GROVES.

23*. NOTES ON THE LAND AND AIR FORCES OF THE BRITISH OVERSEA DOMINIONS, COLONIES, PROTECTORATES, MANDATED TERRITORIES UNDER CONDOMINIUM (EXCLUSIVE OF INDIA). 1934. (London: H.M.S.O. 8vo. 187 pp. 3*s.* 6*d.*)

" NOTES " is indeed a modest description of this official publication, for it is a comprehensive review of the land and air forces of the Empire, exclusive of India. Each of the military forces and of the police forces, of which the number is legion, is described under the headings: Constitution, Terms of Service, Establishment, Command and Administration, Composition, Distribution, Armaments and Training. The defensive systems of the Dominions are dealt with in still fuller detail; that of Australia is in addition illustrated by a map which shows the distribution of her defence forces.

Each of the Dominions, excepting Newfoundland, has created a small Air Force. That of Canada, although it forms an integral part of the Department of National Defence, is chiefly employed in work for the civil government departments and renders invaluable service by making air surveys, transporting government officials, cooperating with the Canadian Mounted Police and carrying out forest fire protection patrols.

Defence is for obvious reasons of far greater concern to Australia and New Zealand than it is to Canada. It is surprising, therefore, to find how small is the provision for air defence in these far-distant Dominions, notably in Australia. The Royal Australian Air Force musters rather less than four squadrons all told, yet the air arm, because of its economy, speed and ability to sink or disable troopships, offers unique facilities for the protection of the Commonwealth's immense sea-board. Happily Australia has developed a very considerable system of commercial aviation which would enable her to strengthen

her Air Force in case of need. She has, according to the figures given in this book, 8700 miles of air routes, 304 aerodromes and emergency landing grounds, 205 registered civil aircraft and 584 licensed pilots. The inclusion of civil aviation in this publication appears to indicate that the War Office, which has compiled it, recognises the inherent military value of air transport—a factor which was long denied by the Air Ministry and which is still to a large extent discounted in our air policy.

As a compendium of information about our Imperial land and sea forces this production would be hard to beat; it is clear, concise and complete, and it is authoritative and well indexed. Despite its unassuming title it will rank as a standard work of reference upon the subjects with which it deals. P. R. C. GROVES.

24*. THE YEAR-BOOK OF THE BERMUDAS, THE BAHAMAS, BRITISH GUIANA, BRITISH HONDURAS AND THE BRITISH WEST INDIES, 1934. 1934. (London: Thomas Skinner of Canada, Ltd. 8vo. 334 pp. 7s. 6d.)

The eighth (1934) edition of this *Year-Book* has been brought up to date and presented in an improved form. In view of the prospects of better trade opened up by the Imperial Economic Conference at Ottawa and by the subsequent tariff concessions, more information has been given than in former issues in regard to banking, commerce, customs regulations, etc. for the benefit of business men.

## EUROPE

25*. THE SAAR. By Margaret Lambert. 1934. (London: Faber and Faber. 8vo. vii + 332 pp. 7s. 6d.)

26*. THE SAAR AND THE FRANCO-GERMAN PROBLEM. By B. T. Reynolds. 1934. (London: Edward Arnold. 8vo. 279 pp. 7s. 6d.)

THESE two books on the Saar in many respects supplement each other; Miss Lambert deals with the problem in greater detail; Major Reynolds fills in the background of Franco-German relations which in the former book is sketched in briefer outline. Between them they give the reader the whole story. Miss Lambert gives a detailed discussion of conditions in the Saar as recently as the beginning of October 1934. She has personal knowledge of the country and of most of the leading inhabitants; the result is that she is enabled to speak with exceptional authority on the prevailing position and on the opinions of different sections of the population. She has also made a special study of the economic situation and explains with what alternatives the industries are faced; it is apparent that whether the Saar returns to Germany or continues under some form of international government, deterioration in the economic position is probable. Miss Lambert has had access to much official and semi-official information, including unpublished papers in the British Foreign Office, with the result that her account of the negotiations at the Peace Conference at Paris is the most authoritative that has yet appeared. The one blemish to an otherwise excellent book is a slight carelessness in writing which will no doubt be corrected in a future edition.

Major Reynolds takes a somewhat wider view. He has very considerable knowledge of the Franco-German borderland and was actively concerned in the exciting events of the post-War period, the

separatist movement and the Allied occupation. The presentation of the Saar problem in its true relation to the wider problem of Franco-German relations is a most important contribution to the study of the question. His account of the Saar to-day explains the reaction to National Socialism in the territory, with the resulting difficulty for the Governing Commission in maintaining order and arranging for an unbiassed vote. He gives a clear account of the early history of the Saar and is particularly full in his treatment of the first troubled years of international government. A useful appendix to Major Reynolds' book is the section of the Treaty of Versailles known as the "Saar Statute," while Miss Lambert includes in appendices a number of tables giving details of the economic situation.

These books were written before the December settlement at Geneva, by which the French and Germans came to an agreement for the transference of the mines in the event of the territory returning to Germany, and for the sending of an international military force to maintain order during the plebiscite. The importance of this settlement is shown by the stress which both authors lay on the necessity for deciding the economic problems before the plebiscite, and on the difficulty which the Governing Commission might experience in maintaining order during that critical period. Both books are written with complete impartiality.

KENNETH HEADLAM-MORLEY.

27*. THE IRON AND STEEL INDUSTRY OF GERMANY, FRANCE, BELGIUM, LUXEMBURG AND THE SAAR. By Frederic Benham. (*London and Cambridge Economic Service: Special Memorandum No. 39.*) (Published by the Executive Committee of the London and Cambridge Economic Service, care of the London School of Economics, London, October 1934. 8vo. 51 pp. 5s.)

DETAILED statistics of the iron and steel industries of each of the five chief producing countries of Western Continental Europe are given in the second part of this Memorandum, together with short explanatory accounts and notes on matters of particular interest. The figures are comprehensive and accurate and often provide information which is difficult to obtain. This is particularly the case with figures of employment and wages, while the arrangement of the tables facilitates true comparisons with pre-War conditions. The information is usually complete for 1933 and occasionally also for the first half of the current year.

An introduction deals with matters of more general interest. The five countries are members of the International Steel Cartel; valuable information is given on the various arrangements for controlling sales, although reference would be easier if this were not scattered throughout so many sections; there is also some tendency to lay undue stress on the imperfections of national and international associations. In other matters as well the five countries are largely interdependent—for example, in supplies of raw materials; these and such subjects as costs, output, the effect of the depression and recent tendencies are very suitably discussed jointly.

In a few minor points a wrong impression may be given. It is not the high price of coal which is the chief reason why the Basic Bessemer Process predominates in many areas, but the fact that the high phosphorus content of "Minette" ore is peculiarly suitable for this method of producing steel; similarly, the growth of open-hearth steel in Ger-

many is due largely to the superior quality often attained by this process and the increased use of ores other than those from Lorraine. Wages in the German iron and steel industry have been considerably reduced recently; this is indeed apparent from the section dealing with this country, but is not clear in the introduction, nor does the table comparing the output per worker in France, Germany and Belgium appear to have much value. We should have liked an account of the history of rationalisation in Germany and more detailed information on the recent capital reconstruction of the German Steel Trust; fuller information on leading companies in Germany and other countries would also have been of interest. There has been a world-wide increase in the use of steel at the expense of iron, so that too much should not be made of this change in Lorraine; it is also a fact that although "Wärmewirtschaft" was known before the War, "calory hunting" has been greatly developed in recent years.

But in a Memorandum which contains so much accurate and interesting matter it is ungenerous to lay undue stress on minor imperfections. It remains the best short study of the subject that has yet appeared. KENNETH HEADLAM-MORLEY.

28. BILANZ DER DEUTSCHEN JUDENHEIT 1933: EIN VERSUCH. By Arnold Zweig. 1934. (Amsterdam: Querido Verlag. 8vo. 318 pp.)

THE plight of the Jews, and half-Jews, in Germany since the establishment of the Hitler régime has been such as to arouse the sympathy of wide circles, outside Jewry, in all civilised countries. A distinguished Jewish writer, Herr Arnold Zweig, has now sought to state the position "ohne Blendung durch Leidenschaften."

Herr Zweig does not, however, direct himself in the main to the specific accusations made against the Jews by Nazi propagandists. There is, for example, more detailed refutation of these accusations in Mr. L. G. Montefiore's small pamphlet of two dozen pages, *The Jews in Germany*, published in January 1934, than in the whole of Herr Zweig's book. Herr Zweig has devoted himself principally to two things—an analysis, partly historical, partly psychological, of the situation which resulted in the persecution of the Jews in Germany; and a statement of the services which they have rendered not only to German but to world civilisation. This latter part of the book constitutes a veritable "Who's Who" of German Jewry in recent times.

It is impossible here to discuss at length the historico-psychological analysis of the post-War Germany, conducted along Freudian lines (Herr Zweig calls Freud "der Newton der menschlichen Seele"). It must, however, be said that this is the most complete presentation of the neurotic condition of the defeated German people with which we are familiar, and is extremely suggestive and interesting. It results in an explanation of German anti-Semitism (pp. 94–7) which is both clear and convincing. Moreover, Herr Zweig's use of psychological analysis helps him to build up not only an explanation of the Nazi success in defeated Germany, but also a powerful indictment of wars of all kinds for their evil moral and psychological results.

Herr Zweig ends with an appeal to his generation to "Work and despair not." His faith is unbroken that, in building a better order of society, the world will recognise its need of the genius of the Jewish, as of all other, races. We can but hope that he will live to see the recognition by Germany of her need of the citizens of Jewish race whom

she has expelled or sought to reduce to the condition of "minderwertige." E. J. PASSANT.

29. JEWS IN GERMANY. By Joseph Kastein. Trans. by D. M. Richardson. 1934. (London: Cresset Press. 8vo. xx + 165 pp. 6s.)

A book of unusual quality. It is neither essays nor sociological treatise, but a philosophical interpretation of this people's history, deeply felt and brilliantly applied. The problem is viewed realistically, but at the same time with an historical and spiritual outlook of long range. R. L. P.

30. DIE METHODE DES ENGLISCHEN RECHTS UND DIE DEUTSCHE RECHT-REFORM. By Hans-Otto de Boor. [*Schriften der Akademie für Deutsches Recht*, No. 7.] 1934. (Berlin: Vahlen. 8vo. 60 pp. *Rm.* 1.80.)

In this interesting monograph the author examines the question of the reform of German law in the light of the methods which determined the development of the common and statutory law in England. He admits that the German people have remained strangers to a great part of their law, whilst people in England have constantly taken the greatest interest in their common law and have been brought up to honour and respect it. The author concludes that a necessary improvement would consist in placing German jurisprudence in the service of the "living life" of the people and that in this connection a good deal could be learnt from English practice. C. J. C.

31*. L'ÉVOLUTION DU POLONISME EN PRUSSE ORIENTALE. By Henri de Montfort. 1933. (Paris: Gebethner et Wolff. 8vo. 154 pp.)

THIS treatise is replete with economic and historical facts which have been ably marshalled by the writer in support of his thesis that the efforts of the German Government to eliminate the linguistic, cultural and racial instincts of the Polish minority in East Prussia constitute a menace in international politics, in that the obvious object of the Germans is to obtain the restitution to them of Pomerania, which reverted to Poland under the Versailles Treaty, and so also to abolish the Polish Corridor to Danzig and Gdansk.

M. de Montfort maintains, and rightly so, that neither in Prussian Poland nor in Teutonic Prussia, when they formed part of the former Polish Empire, did the Poles maltreat their German subjects and vassals, or endeavour to set up a systematic Polish penetration. In contrast, the Germans, during the last two hundred years, have had recourse to every means, legal or otherwise, to Germanise or oust the Polish elements in these provinces. In his opinion, therefore, it is absurd to pretend that the sparse Polish population in East Prussia is a source of danger, and still more so to insinuate that the Poles harbour the ambition of annexing East Prussia. He considers, in short, that it is the old, old story of the criminal crying out "Stop thief!" in order to hide his own evil intentions.

In view of the continuously changing face of the map of Europe, especially since the Great War, claims and counter-claims founded on rights pertaining to conquests and reconquests in past centuries are more than arguable. Nevertheless, the questions of Polish Pomerania and of the Polish Corridor do constitute a serious danger. True, the Reich and Poland have entered into a pact of mutual non-aggression for ten years, but this was undoubtedly done for reasons of political expediency and economic requirements, and until Germany genuinely renounces her aggressive ambitions there will be no guarantee of peace. S. DE BILINSKI.

32*. HUNGARY. By C. A. Macartney. [*Modern World Series.*] 1934. (London: Ernest Benn. 8vo. 376 pp. 21s.)

MR. MACARTNEY has written an excellent book for the general reader. It is informing, in parts even learned, but facts are dealt out with a light and knowing pen, and the whole is woven with fine imagination and sympathy into a story in which the people themselves, one of the most interesting in Europe, come fully to life before us.

The book falls naturally into three parts. The first is historical, the life story of the Magyar nation. It is built up with great skill upon an interpretation of the influence which the geographical habitat has had upon the social structure of the nation, as well as upon its politics. The story of Hungary, says Mr. Macartney, "has always consisted of the struggle between East and West; a battle fought out, not merely against foreign enemies—the German on one side, the Turk on the other—but within the nation itself; one party represents the Western and Westernising influences of Europe, the other the Asiatic element." In the West the Catholic and cosmopolitan "magnates" gravitated towards the connection with Vienna, in the East the Protestant "gentry" were refractory also to lay autocracy and formed the backbone of the long struggle for independence. Mr. Macartney believes that the latter now rule the country's destiny. In the second part Mr. Macartney takes up severally the main institutions and sections of the nation—the Church, the Magnates, the Gentry, the Peasants, etc.—discussing their characteristics and making clear the part of each in the general scheme of the nation's life. Nothing could be more amusingly instructive than his deftly brushed picture of the Magnates, though he seems to have found the more stolid qualities of the Gentry more baffling. Throughout his own understanding sympathy engages that of the reader, even for the more doubtful virtues of his subject, as when he says that the Magyars "are indulgent even towards a weakness if it is ancestral."

The section on national minorities forms the link with the last, the political part, in which the problem of revision and Hungary's foreign policy are discussed. If Mr. Macartney is less happy in this part it is largely because the subject itself is an unhappy one. He is severe on the Peace Settlement—a theme on which even Mr. Macartney could not please everybody. But this much may be said: the post-War literature—especially the documentary volumes in the Carnegie Endowment's "Economic and Social History of the World War"—shows that Hungary herself used the trials and opportunities of the War to undermine the structure of the Habsburg Empire, though she was bound to be caught in the wreckage. In the end he concludes that a revision of frontiers will not solve the problem of the Middle Danube Basin, but only a readjustment of "the relationships between nation and State," whereby frontiers "will gradually cease to matter."

It affects not at all one's grateful appreciation of Mr. Macartney's work to complain that the book shows signs of a too hasty passage through the press. D. MITRANY.

33*. VERS L'UNION BALKANIQUE: LES CONFÉRENCES BALKANIQUES. By A. P. Papanastasiou. 1934. (Paris: Publications de la Conciliation Internationale. 8vo. 286 pp.)

THE author, as the father of the Balkan Conferences, is well fitted to describe the growth of his progeny, and, as the first Prime Minister of the Greek Republic, he speaks as a man of experience in politics.

After an introduction by Mr. Earle B. Babcock, who, as Assistant-Director of the European Centre of the Carnegie Endowment, was present at all four successive Balkan Conferences, M. Papanastasiou republishes from the *Messager d'Athènes* and *L'Esprit International* six articles on "Balkan Union" and "The first and second Balkan Conferences," together with a lecture delivered at Bucharest on "The Conference and Balkan Union." The rest of the volume deals with "The third and fourth Balkan Conferences," the period between them, "The Balkan Pact" of February 9th, 1934, which followed them, and republishes several important documents, including the text of the Pact. Here then we have the history of the four Balkan Conferences of Athens, Constantinople-Angora, Bucharest, and Salonika (1930–1933), although the plan of the book involves some repetition.

The advantages and difficulties of Balkan union are clearly stated, and the author is an optimist, despite the withdrawal of the Bulgarian delegation from the Bucharest Conference on the minorities question and its desire to have not merely a free zone at an Ægean port, like the "Serbian free zone" in that of Salonika, but a corridor on the analogy of that to Danzig. Nor is he discouraged by the postponement of the fifth Balkan Conference till April 1935, nor yet by the non-adhesion of Bulgaria and Albania to the "Pact of Athens." He sees that political and commercial union would rid the Balkans of foreign interference, and increase inter-Balkan trade, at present only nine per cent. of the total foreign trade of these six States. But he realises that "the weak spot of the Balkan Conferences is that their resolutions are not usually executed"; for instance, only Greece and Turkey have ratified the convention for postal union. He indicates the danger of the diversion of Yugoslavia and Roumania from the Balkan movement by their absorption in the Little Entente; but, since he wrote, Yugoslavia has gravitated towards Germany and drawn closer to Bulgaria. He shows the main obstacle to commercial union to be the physical fact that while Albania, Bulgaria and Greece import from the other Balkan States more than they export, the reverse is the case with Yugoslavia, Roumania and Turkey.

The bad results of the history school-books are stressed: at the Balkan Conference of 1930 the reviewer heard a Greek lady delegate declare that the first step towards Balkan union was to make a bonfire of the text-books of history used in Balkan schools. And in the Balkans history, even ancient and mediæval history, is used as an argument by politicians for their respective claims to debatable territories. Hence the Conference voted the creation of chairs of Balkan history, such as that occupied by Professor M. Laskaris at the Salonika University, and of Balkan languages. This latter study is very desirable. It is true that German, not French, is fast becoming the international language of South-Eastern Europe, and that at Athens there are more German than English nurses and governesses. But it is curious that such good linguists as the Greeks very rarely know the language of their Serb neighbours. The periodical, *Les Balkans*, is giving its readers translations of Balkan literature, and an English newspaper for the whole peninsula has just been started. As for the improvement of communications, the two chief wants are a direct line from Salonika to Sofia, linking up the Ægean with the Baltic by its extension to Roumania and Poland, and a railway connecting Albania with Greece, which is now being studied and would join Tirana with Skoplje and thus, by the Simplon-Orient express, with

"Europe." Another point discussed at the Conferences was the sanitary transport of animals, for which the new Greek law makes provision, at least on steamboats.

The author does not expect the dream of Rhegas and the policy of Trikoupes and Bourchier to be realised immediately, but he can point to real progress achieved. Who, in 1821, 1897 or 1922 would have believed it possible to see the Greek and Turkish flags waving together at Athens? Or that Greece and Turkey would agree to represent one another at international gatherings? Or that the kings of Bulgaria and Yugoslavia would exchange visits? Even the incomplete "Pact of Athens" is to M. Papanastasiou a starting-point for a full union. The present, owing to the crime of Marseilles, is an uncertain moment; but, in recent years, the much-abused Balkans, dear to sensational journalists, "when the snows melt," have taught Western Europe some valuable lessons, among which not the least is the institution of the Balkan Conferences, of which M. Papanastasiou is at once the creator and the historian. WILLIAM MILLER.

34*. LE PACTE BALKANIQUE. By C. Vulcan. [*Extract from Revue Générale de Droit Internat. Public*, July 1934, pp. 419–440.] (Paris: Pedone. 10 *frs.*)

A CLEAR statement of the purpose and provisions of the Balkan Pact of February 9th, 1934. The writer shows that the Pact provides for non-aggression and mutual assistance between the four signatories. The more difficult tasks remain of providing adequate means for the pacific settlement of disputes and the effective protection of minorities, and of inducing Bulgaria and Albania to adhere to the Pact.

R. G. D. LAFFAN.

35. THE STORY OF MY LIFE. By Marie, Queen of Roumania. Vol. II. 1934. (London: Cassell. 8vo. x + 369 pp. 18*s.*)

THIS second volume of Queen Marie's reminiscences covers the period from her marriage until the accession of her husband to the throne in 1914. During these years Queen Marie took hardly any part in the political life of her country; nor has she very much to say on its general life and conditions. This volume is essentially a human document, in which we are privileged to learn in some detail of the spiritual struggles of the authoress for freedom and self-expression, together with shorter glimpses of, or comments on, other figures, such as "Grandmamma Queen" (Queen Victoria), the Tsar and Tsarina, King Ferdinand of Bulgaria, etc. The fullest and, to most readers, probably the most interesting pen-pictures are those of "Uncle" (King Ferdinand of Roumania) and "Auntie" ("Carmen Sylva").

C. A. M.

## U.S.S.R.

36*. THE SECOND FIVE-YEAR PLAN OF DEVELOPMENT OF THE U.S.S.R. By W. P. Coates and Zelda K. Coates. 1934. (London: Methuen. 8vo. xxvi + 129 pp. 3*s.* 6*d.*)

THIS is the most convenient summary available in English of the aims of the Second Five-Year Plan, and is accompanied by detailed statistical tables. In brief, it may be said that the Plan budgets for a 100 per cent. increase in industrial and agricultural product by 1937 (the concluding year of the Plan), and for a far higher percentage of increase in certain special fields—notably in transport and in the

development of electrical power. It is not to be supposed, on the analogy of the first Five-Year Plan (the results of which are summarised in an introductory chapter), that these stupendous figures will in most cases be achieved; but they are an important guide to Soviet aims and economic policy. JOHN HEATH.

37*. COLLECTIVISED AGRICULTURE IN THE SOVIET UNION.
38*. MONEY, PRICES AND GOLD IN THE SOVIET UNION. (School of Slavonic Studies Monographs, Nos. 2 and 3. 31, 36 pp. 1s. 6*d*. each.)

THESE two brief monographs issued by the School of Slavonic Studies in the University of London are rather fragmentary and are less objective than could be desired. That on Soviet collectivised agriculture questions official statistics of gross production of grain and arrives at a true figure of net production by the somewhat arbitrary deduction of 30 or 40 per cent. for losses in collection and for seed purposes. For the rest, the true net production has not been sufficient to feed the population in its entirety " on the scale to which it was accustomed before the War "; " chaos is even deeper than it was in past years "; and the legal status of the members of the collective farms is " for all practical purposes equivalent to bondage." These are hardly exact statements.

The survey in regard to Soviet monetary problems and the function of gold in Soviet economy suffers from an almost total lack of knowledge of the volume of gold reserves and of the extent of gold production. The discussion is, in fact, an academic one, and is further marked by confused and unsupported statements of economic theory. The practical conclusion, however, is that the existing gold reserve " is ample to cover all present external liabilities." R. D. CHARQUES.

39. HISTORY OF THE RUSSIAN REVOLUTION. By Leon Trotsky. Translated by Max Eastman. 1934. (London: Gollancz. 8vo. 1295 pp. 10s. 6*d*.)

A cheap and handy reprint, in a single volume, of the original three-volume edition which was reviewed in *International Affairs* in November 1932 and March–April 1933.

40*. THE OCTOBER REVOLUTION. By J. Stalin. 1934. (London: Martin Lawrence. 8vo. 168 pp. 3*s*. 6*d*.)

A somewhat haphazard selection of Stalin's speeches and newspaper articles, ranging in date from 1918 to 1927.

## PALESTINE AND TRANSJORDAN

41*. THE HANDBOOK OF PALESTINE AND TRANSJORDAN. Edited by Sir Harry Luke and Edward Keith Roach. 3rd Edition. 1934. (London: Macmillan. 8vo. xvi + 549 pp. 16*s*.)

THIS is the third edition of the Handbook of the Mandated territory of Palestine—including Transjordan—which first appeared in 1922. It is an indication of its value and popularity that a new edition has been called for within four years of the last. With its 550 pages it is coming to be the book of a large hand; and if it grows at its present rate, future editions will have to be on India paper. One of its editors was formerly Chief Secretary to the Government of Palestine, the other has been in the Palestine Administration from the beginning, and is now District Commissioner of the northern district. They bring to their work authority and literary skill. The book is a mine of informa-

tion on every conceivable aspect of Palestine life and culture. It an excellent example of composite book-making, for the material each section has been contributed by the specialist, whether Offic of the Administration, archæologist, ecclesiastic, agronomist, philatelist.

The High Commissioner in a short introduction points out th during the few years which have passed since the publication of tl second edition great development has taken place, which has led to remarkable expansion in every aspect of the country's life. He poin out, too, that interest in Palestine is always great, and in the past fe years has constantly grown and is still increasing. There has be need, then, for considerable revision of the text. Occasionally tl new patch which has been put on the old cloth by the editors is a litt obvious; and occasionally, but still more rarely, there is an omissic or an inaccuracy. Thus, in the legal part, it is said that the capitul tions are abolished as regards Palestine by an article of the Mandat whereas in fact they are suspended. And in the very full account recent archæological exploration, nothing is said of the excavatic proceeding at Tel Duweir. And the printer has produced an alarmir statement that there were in 1932 33,200 students in the Hebre University of Jerusalem; the thousands have become detached fro the calendar year. But all in all the book is remarkably accurate well as remarkably informing. NORMAN BENTWICH.

42. CETTE ANNÉE À JÉRUSALEM. By Émile Schreiber. 1934. (Pari Plon. 8vo. 225 pp. 12 *frs*.)

M. SCHREIBER has evidently visited Palestine with an open ar inquiring mind: he has seen most of the people who are framing i destinies, and he has interested himself in all aspects of life in that mo fascinating of countries. The result is a volume which could be rea with much profit by anyone about to visit it for the first time, ar anxious to obtain a good general idea of its problems, economi political and religious.

The book contains one or two minor errors: witness "Sir Arth Grenfell Wauschope," which is horrific, and the statement that S Herbert Samuel, covered with titles and honours, left Palestine " return to the House of Lords." And whence did M. Schreiber deri the idea that the English faced with a Mussulman Sabbath on Frida a Jewish one on Saturday, and a Christian one on Sunday, regard a three as days of rest? It would be nearer the truth to say that tl multiplication of Sabbaths means that overworked officials have labour seven days in the week! A. McF.

## FAR EAST AND PACIFIC

43*. ECONOMIC HANDBOOK OF THE PACIFIC AREA. Edited by Frederi V. Field for the Institute of Pacific Relations. Foreword Newton D. Baker. 1934. (New York: Doubleday, Dor & Co.; London: Allen and Unwin. 8vo. xlii + 649 p 18s.)

THIS remarkable volume is announced by Mr. Newton Baker " the most impressive compilation of facts about the Pacific countri which has been attempted"; and it may justly claim to be " indi pensable." Its scope covers the following countries: Australi British Malaya, Canada, China, French Indo-China, Japan prope

Manchuria, Netherlands India, New Zealand, Philippine Islands, Soviet Union, United States of America, Hawaii. The basis of the book is statistical; it contains no less than 569 statistical tables, served up with copious notes, that are purely objective. It is a model of the intelligent use of statistics on the grand scale. "Figures do not rule us," said Goethe, "but they show us how we are ruled."

The editor begins at the beginning with Population figures, and our first surprise is to find that the "Pacific Area" contains a total population of 950 millions; even without the United States, the U.S.S.R. and Canada, which are only partially "Pacific" countries, the population is 640 millions, or one-half of all the people in the world. The birth-rate is highest in the U.S.S.R. and then (in order) in Indo-China, Siam, China, Philippines, Malaya, Japan. The second chapter, dealing with agriculture as the basic employment of all these millions, shows how the Japanese population, in relation to the *crop* area, has twice the density of any other Far Eastern country. The third chapter deals with the products of agriculture, *i.e.* food production and consumption—the great exporters being Australia, Canada, New Zealand and Manchuria; the great importers Japan, Malaya and the Philippines. The next chapter deals with Transport—shipping, railways, roads, aviation. The chapter entitled Public Finance consists of abstracts of government budgets with general headings of revenue and expenditure, and very useful lists of internal and external loans. The huge proportionate *per capita* indebtedness of New Zealand and Australia, mainly held in the United Kingdom, is especially significant. The chapter on Capital Movements, after some tables of Exchange Rates which are already out of date, gives a useful analysis of foreign investments in Pacific countries, such as probably exists nowhere else; and concludes with that elusive but fashionable subject, the Balance of International Payments for all the countries under review. Most elusive of all is China's balance, and here we are given no information later than 1930.

The chapter on Trade gives the balance of import and export trade in each case—both the totals, and also the figures of each country in relation to its principal customers, with details of principal commodities.

The two concluding chapters deal with mineral, agriculture and textile products, and for reading as distinct from reference are the most interesting part of the book. They reveal the coal situation; the United States, China proper and Manchuria, the U.S.S.R., Australia, Netherlands East Indies and Indo-China are well supplied; Japan has moderate reserves except in coals of high quality. They indicate the poverty of the Pacific area in iron ore. The Netherlands East Indies and the Philippines have large reserves, unexploited as yet; Manchuria has plenty of ore, but of low quality; China proper has better ore, though less of it; Japan is strikingly deficient, deriving supplies for her heavily protected industry from India, Malaya, Manchuria, China and from large imports of scrap iron. "The annual pig-iron output of Japan is only about 30 pounds *per capita*, against 310 pounds in Germany, 700 pounds in the United States and over 900 pounds in Belgium." No less interesting are the notes on copper, oil, silver, tin, rice, rubber, sugar and wheat production; and the efforts made to control and regulate it. The concluding pages deal with cotton, wool and textiles—very briefly, it is true, but adequately in proportion to the rest of the volume.

This great book has many uses; first, for reference, and then, for reading. It may well be taken as a model for studies of other areas, *e.g.* South and Central America, Africa, Scandinavia and the Baltic, the Danubian States, the Balkans, etc. It will have to be succeeded, at fairly frequent intervals, by new editions based on up-to-date statistics. If so, it will hold the place, which belongs to it by right, at the very top of any list of books essential for serious and practical study of the political and commercial situation in the Far Eastern and Pacific Area. P. J.

44*. PROBLEMS OF THE PACIFIC, 1933: Economic Conflict and Control. Proceedings of the Fifth Conference of the Institute of Pacific Relations. Banff, Canada, August 14th–26th, 1933. Edited by Bruno Lasker and W. L. Holland. 1934. (Oxford University Press. 8vo. xvi + 490 pp. 21*s.*; to members of the Institute, 15*s.* 9*d.*)

THE editors have successfully accomplished a great digestive effort in reducing the proceedings of the Banff Conference to so manageable a shape. One half of the book is given up to a summary of discussions, and the other half to a judicious selection of papers prepared for the Conference.

The subject-matter is largely, though not entirely, confined to Japan and China. The exceptions consist of reviews of the United States Recovery Programme, of the Ottawa Conference policy and, among the documents, of Population and Land Utilisation in the Philippines. There are many individual problems in the Pacific area, but the Problem of the Pacific *par excellence* is the issue between Japan and China; and it is here, we feel, that the Institute of Pacific Relations, both by its discussions and its publications, is doing a unique work of supreme importance. The chapters and documents dealing with this issue, which in one form or another dominates three-quarters of the book, leave a sense of intense and increasing pressure. This pressure drives Japan towards expansion; it pushes China into decay. The limits of this double process comprise the Problem of the Pacific. The naval question, which is so prominently before us now, is excluded from this volume by its terms of reference, and in fact is subsidiary to the economic problem. The chapter entitled "Japanese Expansion," and the documents on "The Control of Industry in Japan" (Tokyo Institute of Political and Economic Research), "The Agrarian Problem of China" (Chen Han-Seng) and "Rural Industries in China" (H. D. Fong) reveal the hidden sources from which this pressure arises; it is to be found beyond and below the usual chatter about the Ambitions of Japan's War Lords and the Aspirations of Young China.

"Land is getting cheaper and cheaper, yet waste land in China is increasing in area, and landless peasants are growing in number. There are at least 2,000,000 soldiers in China, a majority of whom are poor peasants who want land for cultivation. . . . At least 60,000,000 are unemployed in China and meantime the agricultural land is being concentrated in the hands of new, powerful, big landlords who alone can take advantage of the fall in price. . . . The result in total of the work of the big landowners in China is a definite decline of agricultural production. . . . The corollary of a diminishing farm is not only a transformation of rich peasants into partial landlords, but also an increasing number of poor peasants. The rapid falling off of prices of agricultural products, the extreme uncertainty of trade conditions, the heavy and incessant taxation, the high pressure of usury, all in all, have brought about a general standstill of capital circulation and have created a slump in the land market."

The central problem in Japan too is agrarian; but it is complicated by the rapid population increase, and by the exigencies of modernity in the political and economic spheres. Japan has been, and is, acutely conscious of responsibilities which do not as yet weigh very heavily upon China.

" To push on with industrial development, and at the same time to safeguard the already dwindling fortunes of small farmers, is perhaps Japan's greatest social dilemma. This agricultural problem lies at the very root of all Japanese national policy, in diplomacy as in foreign commerce. Its bearing on the Manchurian adventure, through the close relationship of agrarian distress to militarist discontent, was well known to most Banff Conference members. It can hardly be compared with the American agricultural problem, where the issue is one of finding foreign markets for a chronic surplus of agricultural products. If any parallel is to be sought, it must be in the England of the early nineteenth century, where agriculture in the end was simply crushed under the foot of industrialism. For Japan, a policy with such objectives would mean revolution. . . . The national standard of wage is determined mainly by the income of the farmer."

In other words, it is the Japanese farmer who has been providing the bonus for Japanese exports owing to the low level of food prices and the deterioration of the raw silk market in the United States.

The Banff Conference did not exhaust the potentialities of its tremendous task, but it evidently went a considerable way towards recognising the essentially economic character of the Problems of the Pacific. P. J.

45*. CHINA. By L. A. Lyall. [*Modern World Series.*] 1934. (London: Benn. 8vo. 383 pp. 21s.)

MR. LYALL combines the sinologue and the man of affairs and is thus exceptionally qualified to interpret China to the West. He knows his China through and through and has the gift of conveying his knowledge in a readable form. The result is a book of unusual interest which will appeal alike to the initiated as to the general reader. We are first shown the cultural basis of the Chinese character; and many will find this part of his book the most interesting. Here the sinologue is in his element, the translator of the classics whose Sayings of Confucius ranks with the translations of Ku Hung-ming and of Professor Lionel Giles. He sets forth the ideals and the traditions upon which the Chinese have been brought up since time immemorial; and there emerges a picture of a virile people, attuned to reason and habituated to industry and welded together in an essential unity which has brought the nation through political disruption in the past as it will, it is to be inferred, in the present.

The present political situation in China Mr. Lyall traces to its origins in the past. After a quick survey of ancient history, he plunges us into the vortex of China's relations with Europe and America from the earliest days to the moment, almost, of going to press—the Treaties, the fighting at Shanghai, Shanghai itself and its problems, Manchuria, loans and the Customs Service in which Mr. Lyall served for upwards of forty years, narcotics (Mr. Lyall is now President of the Permanent Central Opium Board of the League of Nations), present conditions in China, the policy of the various Powers, and so on. More than half his book is devoted to these living issues, and the author shows himself a doughty champion of China. Here he is dealing with controversial subjects, and though he endeavours to be scrupulously fair, the partisan, the lover of China and the Chinese, constantly breaks through his patently conscious effort to present both sides of each issue. He is

severe on a great many people: on all the Powers concerned, save America, in regard to days gone by; and in regard to the present, on Japan, on the City Fathers of Shanghai and the British mercantile element in that town, on the British Press in China, and so on. China is presented as the helpless prey of self-seeking might, the butt in general of insult, injury and misunderstanding. This is not the place to present the other side of the picture, but Mr. Lyall is, of course, aware of the Chinese idea that the cause of whatever happens to each of us lies within ourselves, that insult and injury suffered from without implies a failure of virtue within, a corollary of the saying, "Respect yourself and you will be respected." Concurrently as she lives up to this maxim of hers, or, as we should say, sets her house in order, will China be free from affront and aggression. The first step was taken when China freed herself from the incubus of the Imperial Government, which, with its policy of *laissez-faire* that Mr. Lyall is reluctant to condemn, found no outlet for the energies of men qualified to take the lead in the manifold activities of a modern State and saw no solution of popular discontent other than suppression, and consequently, *pace* Mr. Lyall, failed as lamentably in home affairs as admittedly in the conduct of the country's foreign relations. In spite of all the turmoil which has ensued, the prestige and power of the Chinese people stand higher to-day than at any other period in the history of China's relations with the West.

It remains to be noted that Mr. Lyall's book sustains the reader's interest throughout; he constantly enlivens his pages with apt illustrations from his many years of residence in China and with quotations, almost invariably interesting and well-chosen, from the writings of other authorities and participants in the drama he unrolls. And his sympathy with the Chinese, though it may at times betray him into a misprision of others, provides a useful corrective to the opposite attitude of unreasoning hostility to all things Chinese which fortunately carries little weight to-day. A brief quotation must suffice in illustration; we read on p. 121: "A foreigner, who had lived a few years in China, said to me not long ago: 'All Chinese servants are thieves and liars.' I answered: 'Like master, like man.'"

L. M. KING.

46*. MANCHOUKUO YEAR BOOK, 1934. 1934. (Tokyo: East Asiatic Economic Investigation Bureau. 8vo. xxix + 852 pp. 12 *yen*.)

The *Manchurian Year Book* has this year (1934) changed its name to the *Manchoukuo Year Book* "for the obvious reason of using the name of the established State." New material has been included dealing with the maintenance of peace, economic policies, customs tariffs, and the Wangtao principle, as well as a directory of government offices, public institutions, business organisations, and a "Who's Who" of Manchoukuo This edition, like the previous ones, contains maps and statistical tables and is illustrated.

## UNITED STATES

47*. THE NEW AMERICA. By the Right Honourable Sir Arthur Steel-Maitland. 1934. (London: Macmillan. 8vo. xiii + 238 pp. 10s. 6*d*.)

BOTH the Trustees of the Rockefeller Foundation, who invited Sir Arthur Steel-Maitland to make the study, and the author are to be congratulated on this valuable and solid survey. The book is excellent reading and not overloaded but rather reinforced with convincing

diagrams and tables. It is definitely written from the Washington angle. This is all to the good. It is necessary to understand a policy before you appraise it. And Sir Arthur's appraisement is on the whole convincing and discriminating.

He rightly gives full marks to the skill and speed with which the Banking Crisis of March 1933 was brought to an end. The masterly short speech of President Roosevelt over the radio on March 12th, 1933, receives special commendation but no more than its due. He shrewdly contrasts the reaction of Germany and America in 1933 to economic dissatisfaction with the government in power. In America, the change of government and of policy was as complete as in Germany. But in America " there has been no let or hindrance to criticism of any kind." The powers which President Roosevelt exercises were freely given and " the most important part of the President's delegated authority is subject to a time limit or it can be recalled by a resolution of Congress."

The jumble of legislation is explained by the simultaneous pursuit of the four conflicting aims, Relief, Recovery, Reform, and Reconstruction. Sir Arthur rightly points out that Relief was essential, Recovery and Reconstruction at once demanded by the public and by the necessity one day for a balanced budget and Reform desired by the President and many of his supporters.

The chapters on the N.I.R.A., the Farmers, the Unemployed and the Recovery Balance Sheet are masterly; those on the Dollar and Wall Street less convincing. In particular, Sir Arthur seems to attach too little weight to the growth of instalment sales between 1922 and 1930 and its effect on the extent of the catastrophe. There are two thoughtful but all too short chapters on the future. Nearly fifty years ago Lord Bryce wrote in his classic *American Commonwealth* :

> " Under the system of Congressional Finance, America wastes millions annually. But her wealth is so great, her revenue so elastic that she is not sensible of the loss. She has the glorious privilege of youth, the privilege of committing errors without suffering from their consequences."

Has America outgrown " the glorious privilege of youth " ? Sir Arthur does not quite answer this question, but rightly emphasises that Federal credit is the sheet-anchor of progress towards recovery and confidence the prerequisite of further recovery.

C. WALEY COHEN.

48*. THE NEW AMERICAN GOVERNMENT AND ITS WORK. By James T. Young. Third and revised edition. 1933. (New York and London: Macmillan. 8vo. xx + 1024 pp. 15s.)

THIS is a revised edition of an important text-book included in the Social Science Text-Books series edited by the President of the Institute for Economic Research. Twelve new chapters have been added and Professor Young has departed from the normal text-book practice by adding brief discussions of policy and contemporary criticism here and there, " with a view to making more vivid and real the clash of interests in Government action."

Many chapters demand attention, but in the space of this review it is only possible to refer briefly to two of them. One is the chapter on Public Opinion, of which so much is heard in the United States and so much is done to form in both right and wrong directions. With what results? There are myriad men's clubs and women's clubs, civic associations and other bodies which can, and should, mould public

opinion and afford it an outlet, but they do not seem to the ca
observer to produce much result except possibly to swell the
Office returns by overloading the daily mail of every Congress
and Senator. It must be admitted that there is actually a feeling,
a hope, nowadays that some long-standing evils are in proces
elimination, such as the demand for a correction of the abuse
Magistrates' Courts, the campaign against indecent moving picti
the removal of the baleful influence of Tammany in New York, ar
on. There is still, however, a great deal of ground to cover in
domestic field, and there are those who, weary in well-doing, relucta
believe that the Tammany tiger, for instance, has been but scotc
not killed.

There is much ground to cover too in the international field an
this regard, the chapter on International Government is worth
notice. Professor Young, who is a strong advocate of coopera
with other men, is of the opinion that forces opposed thereto "
waging a rear-guard action in a losing fight, but they are reinfo
by all the influences of tradition, ancient prejudice and long-cheris
suspicion." Amongst the "most valiant fighters on behalf of reacti
he classes (*a*) the one hundred per cent. patriotic newspaper-cl
which is eager to bolster its circulation by attacking something
why not attack the foreigner with all his evil designs? (*b*) spc
cliques in industry, trade and finance whose aims conflict with ir
national agreements and who try to exploit national authorit
order to promote their special ends; (*c*) the differences in race, langu
beliefs and standards of living which reach back into past hist
feeding on ancient grudges, and offer good material for denuncia
by the professional patriot who fans what is almost forgotten
active suspicion and hatred.

May public opinion in America be so formed and informed in
comparatively near future that the author's desire to see his cou
place the full force of its influence in some sort of a world associa
of peoples, and accept without further quibble its share of responsib
in it, achieve some measure of fulfilment! LEGE

## LATIN AMERICA

49*. WHITHER LATIN AMERICA? By Frank Tannenbaum. 1
(New York: Crowell. 8vo. xix + 185 pp. $2.00.)

"WHITHER Latin America?" The answer is apparently tha
one really knows, except by instinct or guess-work, because facts
not available in sufficient numbers to justify a reply. Mr. Tannenba
however, suggests that Latin America is not going where many w
hope or suppose, that it is not going to be extensively industrial
that it is not going to offer a large field for the operations of the finan
and that it cannot offer much scope for European immigration.

But, although Mr Tannenbaum is himself the first to insist
many of these questions cannot be positively answered, his book is
worth studying. In most of his chapters he makes no attempt to co
new information, but challenges the customary interpretation o
Latin American scene, and hints that fuller study and a more com
assemblage of facts would at least give us pause. Many of his ques
will wait long for an answer, but nearly all are questions which ne
be asked, and some, in fact, have often been asked before. Many c
suggestions for research are worth careful consideration.

His chapter on "Labour" is perhaps the most useful for its

bination of information and interpretation; that on "Agriculture" the most suggestive. It is to be regretted that he has not examined t political situation of the region from the same point of view. His at tude throughout is that of a mentor, nearly always timely, and in soi parts he seems to be almost an *advocatus diaboli*, deliberately challengi and sanely sceptical. But the reader needs one warning: he must n be put off from enjoying a good meal because the *hors d'œuvre* strangely indigestible. In other words, the preface might have be expressed more happily.

KENNETH G. GRUBB.

## CORRESPONDENCE

To the Editor,

*International Affairs.*

### THE FINANCES OF THE LEAGUE

SIR,

In your issue of September–October 1934, the Treasurer of t League of Nations, Mr. Jacklin, is reported to have stated that "t Institute of Intellectual Cooperation at Paris was entirely paid for l the French Government" (p. 699). In fairness to the steadily increa ing number of States which already share the portion of the cost maintaining an institution which serves all countries, whether membe of the League of Nations or not, I should appreciate the hospitali of your Journal to add the following qualification to Mr. Jacklir statement.

The draft budget for the financial year 1935, which was publish by the Secretariat of the League of Nations on August 9th, 1934, ar which was addressed by this Institute's Governing Body to the Counc and to all the Members of the League of Nations, shows that while tl French Government's subvention of this Institute amounts to abou two-thirds of the total annual income, the balance is derived fro miscellaneous receipts amounting to about one-seventh and from tl subventions of some seventeen other States.

I am, Sir,

Yours very truly,

H. BONNET,

THE DIRECTOR.

*League of Nations*
*International Institute*
*of International Cooperation,*
*2 rue de Montpensier, Paris.*
*October 26th, 1934.*

### ROUMANIA: ITS HISTORY, POLITICS AND ECONOMICS

SIR,

Concerning the notice which appeared in the September-Octob number of *International Affairs* on my book on Roumania (p. 734), do not think it would be fair, either to the publishers of the book or t its author, that it should be left unanswered.

Dr. Seton-Watson, who is certainly the most competent authorit on the Near East, and the author of a *History of the Roumanians*, whe reviewing the book in the *Slavonic Review*, affirmed that "it deserve special attention," and the *Manchester Guardian* concluded its criticisi of it as follows:

"This is a good book, well-informed, critical and fair, and it is a most welcor addition to the scanty and not very trustworthy literature on contemporai

Roumania. Mr. Logio has done good service to the students; so have l Manchester publishers in bringing out such a book at so low a price."

And yet your commentator qualifies it as a mere "pamphlet One cannot expect uniformity of opinion, but such contrast is tru amazing. It seems hardly politic of *International Affairs* to lend tl hospitality of its columns to such unfair and uncharitable reviewe for such opinions are likely to be interpreted in Roumanian circles an encouragement, and a condoning, of the policy of spoliation to whi foreign investors and traders in Roumania have been subjected, ar which, unfortunately, continues.

Yours truly,
G. C. LOGIO.

*Warna,*
*Bulgaria.*
*October 15th*, 1934.

To the Editor,
*International Affairs.*

THE DANUBIAN PROBLEM

SIR,

Several of the political points of Professor Seton-Watson's addre on the Danubian Problem printed in your issue of September-Octob 1934, were effectively answered in the course of the debate by Mi Currey and Sir William Goode. I trust, however, that you will allo me to correct two statements which he made on Italian finance. H speaks of Italy's "gigantic deficit," and asserts that she "senc emissaries to London for a loan." Although the deficit is large (Ital is not alone in this), Professor Seton-Watson seems to ignore the fac that it is being steadily reduced month by month, so that the ne budget will, unless unforeseen circumstances arise, show a very differe picture. As for the emissaries sent to London, I should like to ask th Professor who told him that story. For many years it has been Italy unswerving policy to avoid all foreign indebtedness. Even the bonc of the foreign loans issued in the past are being gradually bought bacl and the greater part of them (between two-thirds and three-quarter are now held in Italy. Not only have no further loans been floate abroad, nor have any emissaries been sent to London for the purpos but the various offers of foreign loans, which sundry foreign financier including the late Ivar Kreuger, tried to press on Italy, have bee systematically rejected.

Yours faithfully,
LUIGI VILLARI.

*2 Via Antonio Bosio,*
*Rome.*
*October 13th*, 1934.

ERRATA

Readers are requested to note the following errata which appeare in the November-December issue of the Journal:

p. ii, line 14, *for* Vice-President *read* President.
p. 874, line 3 from bottom, *for* Sreged *read* Szeged.
p. 875, lines 10 and 18, *for* Jásri *read* Jászi.
p. 875, line 18, *for* tyrants *read* figures.

# INTERNATIONAL AFFAIRS

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CONTENTS



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*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions.*

*The Institute, as such, is precluded by its rules from expressing an opinion on any aspect of international affairs. Any opinions expressed in the papers, discussions, or reviews printed in this Journal are, therefore, purely individual.*

## CONTRIBUTORS TO THIS ISSUE

LORD LOTHIAN has been Secretary of the Rhodes Trust since 1925. He was Secretary to the Prime Minister, 1916–21; Chancellor of the Duchy of Lancaster, 1931; Parliamentary Under-Secretary, India Office, 1931–2; Chairman, Indian Franchise Committee, 1932.

LIEUT.-COLONEL SIR EDWARD GRIGG has been M.P. for Altrincham since 1933. He was Private Secretary to Mr. Lloyd George, 1921–2; M.P. for Oldham, 1922–5; Secretary to the Rhodes Trustees, 1923–5; Governor and Commander-in-Chief and High Commissioner for Transport, Kenya Colony, 1925–31.

VISCOUNT HALIFAX has been President of the Board of Education since 1932; Chancellor of the University of Oxford since 1933. He was Parliamentary Under-Secretary for the Colonies 1921–2; President of the Board of Education, 1922–4; Minister of Agriculture, 1924–5; Viceroy of India, 1926–31.

MR. W. H. CHAMBERLIN is a correspondent of the *Christian Science Monitor*, until recently in Moscow, and is a well-known authority on Russia.

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LORD MESTON is Vice-Chairman of the Supervisory Commission of the League of Nations; Chancellor of Aberdeen University and Hon. Fellow of University College, London. He was Lieut.-Governor of the United Provinces, Agra and Oudh, 1912–18.

# INTERNATIONAL AFFAIRS

*MARCH–APRIL*, 1935


## THE CRISIS IN THE PACIFIC[1]


By The Most Hon. the Marquess of Lothian, C.H.


Lord Lothian opened his address by referring to the announcement which appeared in the papers that evening (December 12th, 1934), that the Privy Council of Japan had authorised the Japanese Ambassadors in Washington and in London to submit their formal denunciation of the Washington Treaties on December 29th, 1934, "thereby fulfilling an expectation which a great many experts formed at least six months ago, that the naval negotiations were only the prelude to the far more formidable act of the denunciation of the Washington Treaties themselves."

Let me begin by saying a few words about the Washington Treaties. After the War what was generally spoken of as a "war cloud" arose over the Pacific, between Japan and the United States. It was due partly to rivalry as to the future, partly to the refusal of Japan to evacuate Shantung. In 1921, however, there took place the Washington Conference, which dispelled that war cloud and led to a series of treaties which I think most people will agree was the most successful peace settlement made at the end of the War.

The beginning of that settlement was an agreement on the part of Great Britain to substitute a new form of agreement for the Anglo-Japanese Alliance of 1902, which, it will be remembered, had isolated the impending Russo-Japanese conflict and later kept Japan on the side of the Allies during the critical early days of the World War when to most of the world it seemed probable that Germany would win. This agreement to terminate the Anglo-Japanese Alliance was settled at the famous Imperial Conference of 1921, when three things happened.

In the first place, it became clear that under no other conditions than the abandonment of the Anglo-Japanese Alliance would the United States modify the immense naval building programme which President Wilson had launched at the end of the War, when no conclusion had been come to about the freedom of the seas; a programme which, when completed, would have given

[1] Address given at Chatham House on December 12th, 1934, the Hon. R. H. Brand, C.M.G., in the Chair.

to the United States a much bigger navy than the then British navy. The British Government had already prepared drawings for new battleships for the British fleet in order to maintain the ratio with the United States which it thought necessary at that time.

The second preliminary was the intervention of Canada, which took the line that if Great Britain, Australia and New Zealand clung to the Anglo-Japanese Alliance it would inevitably produce bitter hostility on the part of the United States. While there was a clause in the Alliance which automatically eliminated the United States from its purview—the Alliance provided that if either of the two countries, Japan or Great Britain, was at war with more than one Power, the other would come to her assistance—the Canadians held the view that the United States would feel that, so long as the Alliance existed, if a conflict arose between the United States and Japan, it would be inevitable that the British Empire would be expected to side generally with her ally, and, therefore, *pro tanto* be unfriendly to the cause of the United States.

The third element was that the Canadian Government, having made inquiries privately in Washington, suggested, not that the Anglo-Japanese Alliance should be merely abandoned, but that there should be substituted for that bilateral Alliance a collective or quadruple treaty between the major Powers of the Pacific to maintain certain agreed principles. It was as a result of that preliminary discussion at the Imperial Conference of 1921 that, when Lord Balfour reached Washington, not much difficulty was found in coming to a basic agreement, both with Mr. Hughes, the head of the American delegation, and with the representative of Japan, about the termination of the Anglo-Japanese Alliance and to the principles of the Washington settlement.

The Washington settlement was based on three clear ideas. First, equality of security between the three major naval Powers—the British Empire, Japan and the United States. That equality was to be obtained partly by a naval ratio of 5 : 5 : 3—that is, Great Britain 5, United States 5 and Japan 3—and partly by an agreement that none of the islands belonging to any of the parties which lay between the three main strategic bases of the three Powers—the Hawaiian Islands (U.S.), Hongkong (G.B.) and Yokosuka (Japan)—should be fortified. This meant that the naval bases were so far apart that it would be practically impossible for the fleet of any one to attack the main base of any other.

The 5 : 5 : 3 ratio did not represent any agreement as to relative

status or importance of the three Powers. It represented, in effect, a broad stabilisation of the then existing ratios, and the difference between Japan and the two English-speaking Powers was justified by the fact that Great Britain has many other obligations than those in the Pacific—in the North Sea, the Atlantic, North and South, the Mediterranean, and the Indian Ocean—and the United States has two naval fronts, the Atlantic and the Pacific. Japan, on the other hand, has only one front, the Pacific, and had then and has now by far the largest army of any Pacific Power. At any rate, it was accepted at that time that a system of non-fortification of the Pacific islands and naval ratios as laid down would give equality of security to the three major Powers. That was the first political principle underlying the Washington Treaties.

The second principle was the integrity of China and the maintenance of the "open door" within it; and China for this purpose was universally recognised at that time as including Manchuria. That had been an ancient doctrine in the United States, the so-called "open door policy" of Secretary Hay, and it figured in the Anglo-Japanese Alliance itself.

The third was that Far Eastern affairs, and especially the declaration of policy in regard to China, were recognised to be the collective concern of the nine Pacific Powers—the United States, Japan, Great Britain, Canada, Australia, New Zealand, France, Holland, Portugal. Russia was not represented at the Conference.

The war cloud disappeared immediately after the signature of the Washington Treaties, for under an arrangement to which the other Powers were not parties, Japan by a voluntary agreement with China withdrew from Shantung and came to a settlement in her relations with China based upon the principles of those Treaties. The Washington system has now been in existence, I think with great success, except for the Manchuria incident, for thirteen years.

The origin of the naval negotiations which have been taking place in London is, as far as I am aware, somewhat obscure. It has always been my view that negotiations about disarmament are bound to be futile unless there is first an agreement about policy. Armaments are the instrument whereby national policy is made effective, for defence or whatever the purpose is—the instrument upon which nations rely. Unless the nations can agree about policy, experience shows that they fail to agree about armaments, and it has long been my view that you will never

get a European disarmament agreement unless you first get a political settlement in Europe. None the less these naval negotiations seem to have been begun without any prior inquiry as to whether the parties were or were not still content with the three basic principles upon which the original Washington naval agreement rested. The London Naval Treaty of 1930 only extended the Washington Treaty to cover cruisers and destroyers, more or less on the same basis as capital ships.

Broadly speaking, the proposal put forward by Japan at these negotiations seems to have been a reduction in the level of armaments agreed at Washington to a common " upper ceiling " as it was called, which " ceiling " was to be about the level of the present Japanese navy. This was, in fact, a proposal that the United States and Great Britain should reduce their navies to the present Japanese level, while Japan retained her existing navy. That demand has been rejected both by the United States and ourselves for a number of reasons.

The American reasons were set forth by Mr. Norman Davies in a statement which he made on December 6th last. This is the key sentence :

> " Is the equilibrium that was established by the system worked out by the Washington Treaties to be continued or is it to be upset ? The American Government stands for continuance. The only alternative that has so far been suggested is that of a new naval agreement based on the principle of equality in naval armaments, a principle which if adopted and applied would not give equality of security."

The American Government has taken the view that the 5 : 5 : 3 ratio plus non-fortification was fairly devised to give equality of security to the three naval Powers, in the circumstances in which they were each placed, and that the events in Manchukuo in 1931–32 show that it did give security so far as Japan was concerned, especially as Japan already has the best army in Asia. It certainly did not give security to China. Therefore the United States will not agree to equality of naval armaments; this attitude being strengthened by the fact that, as previously mentioned, she has to maintain part of her navy in service in the Atlantic, as Japan has not.

Great Britain has taken very much the same view. She is not willing to agree to naval equality, as she has to maintain by far the larger part of her fleet in the North Sea and the Mediterranean. To do so would be not only to grant absolute supremacy to Japan in the Pacific, but to destroy her own security there.

Agreement having proved to be impossible on a purely naval basis, either by modification of the ratio on the lines suggested by Japan or by certain counter-proposals put forward by Great Britain, the denunciation of the Washington Treaties on the part of Japan became a certainty. Why is Japan denouncing the Treaties? I believe it is true to say that the moderate element in Japan, which was in power at the time of the Washington Treaties, was satisfied with the Treaties. They took the view that the future of Japan depended on her maintaining harmonious relations with the United States and Great Britain so long as they gave her equality of status in the Pacific. The Washington Treaties gave her complete security in her own waters, gave her a preponderant position in the Far East so long as she respected the integrity of China and the "open door," and made her an equal arbiter with the other two Powers in the larger issues of Pacific policy. The fact that Japan was able to complete the Manchukuo adventure without interference is proof of the exceptionally favourable position in which she was left by the Washington Treaties. The moderate elements in Japan have therefore wanted to maintain them, possibly with some minor modifications. On the other hand, they are convinced that if Japan quarrels with the United States and Great Britain tragedy and disaster must inevitably follow.

The military party has taken a different view, and that party, since September 1931, has been in the ascendant in Japan. Its argument, as far as I can understand it, is this. Japan as an island with from sixty to seventy million inhabitants can only fulfil her destiny by developing the raw materials of Eastern Asia, manufacturing them in the factories of Japan and selling them back again in privileged and protected markets in Eastern Asia. It is the duty of Japan to lead Asia. If she is to fulfil her economic policy, still more if she is going to impose her ideas of civilisation on the Far East, she is inevitably confronted with a long period of struggle both with Russia and with China, the outcome of which nobody can foresee. The objection, from the extremist Japanese point of view, to the Washington Treaties is that they give to Great Britain and the United States the legal right, under the Nine-Power collective system, to maintain the "open door" and the integrity of China, and also the physical power, if they chose to combine, to intervene effectively in Japan's plans if she endeavoured to absorb China or became engaged in a war with Russia.

The view of the militarist party about Manchuria, so far as I can understand it, and it is typical of militarist parties everywhere,

was this. There existed a situation in Manchuria which was becoming intolerable quite apart from Japan's larger ambitions. Manchuria was governed by Chang Tso-lin and later by his son—a government of no great power or great ability, at first independent of Nanking, latterly associated with it : Japan, on the other hand, had definite rights in Manchuria under earlier treaties, the most important of which were the concessions to the South Manchuria Railway and the right to maintain a police force along that railway. In other words, there were two sovereignties trying to operate in a single State, and history shows that sooner or later one sovereignty invariably has to eat up the other. I think that the Lytton Commission agreed that the situation was intolerable and had to be modified. The military party said : "We shall never be able to modify it in the direction that we want it modified by peaceful means. The process of conference is so difficult that it is probably impossible to change the *status quo* by peaceful means at all. There is only one way of solving the problem, and that is to bring force to bear." Many people are saying the same thing in Europe to-day. They say that in so far as there are evils in the Versailles settlement it will be very difficult to get them remedied by agreement, and that sooner or later they will have to be remedied by force, not necessarily by war, but by power diplomacy. The military party in Japan decided after making inquiries in 1931 in Washington, in London, in Paris, in Moscow—private inquiries, not official ones—that if they took the law into their own hands nobody would, in practice, interfere. Nobody was politically ready to interfere, nobody was physically equipped to interfere. Russia was very weak. Great Britain was profoundly pacifist and was preoccupied in Europe. The United States was pacifist, her navy was below strength and her public opinion was largely indifferent. The military party in Japan decided that if they acted they would "get away with it," because nobody would actually take the measures which alone would compel Japan to desist. The event proved that they were right in their diagnosis. They absorbed Manchuria by force and nobody did more than protest.

That act has challenged the whole concept of international relations embodied in the Covenant and the Briand–Kellogg Pact, the concept that international problems must be settled by collective action and not by the violence of one party, and that it is the business of members of the League to keep a lawless aggressor in check. It was a return to the old system of power diplomacy which was legitimate in the view of the world up to

the enactment of the Covenant. When a situation arose in which you could not get your way by diplomacy you tried to isolate your opponent, confront him with the choice between war and surrender, because if he found himself isolated and realised that the alternative to surrender was the certainty of disastrous defeat, he would usually, graciously or ungraciously, yield your case. That happened when the Japanese military party tore up the Nine-Power Treaty.

I think the first question involved in the failure of the present negotiations and the denunciation of the Washington Treaties is which of the two schools of opinion I have mentioned—the moderate party and the military party—is going to prevail in Japan. There is no doubt that there is a struggle going on between the forces of moderation and extremism. It is daily becoming more intense. The military party is not as strong as it was. Its expansionist policy has strained the finances of the country to the utmost. It has financed its budget by borrowing, largely for armaments, and its capacity to borrow is rapidly becoming exhausted. The farmers are in a terrible plight owing to the fall in prices. Expansion on the mainland has not created an outlet for Japanese migration. A large number of people—well-informed people—have told me that the outcome of the struggle between moderation and militarism will be largely influenced by the outcome of the London naval negotiations. If the Japanese military party can secure either a more favourable naval treaty or if they can nullify the basic principles of the Washington Treaties and, still more important, if they succeed in fortifying their islands while the United States and Great Britain do not fortify their possessions—the Philippines and Hongkong—they will have established a naval situation in which it will not only be extremely difficult for the United States and Great Britain to intervene in the Far East, but which will put the Japanese in a position where they can menace their opponents if they start to make trouble. A substantial naval base on the islands which Japan has under mandate would constitute a menace to Hawaii and to Australia; a naval base in Formosa or South China would constitute a menace to Singapore. Supposing such a situation were reached where Japan had naval equality and her islands were fortified and the others were not, Japan would have attained that position which Napoleon said it was the object of all wars to achieve—a position from which other people could not menace her and she could menace them. She could repeat on the larger Pacific stage the success for power diplomacy as against the collective system

which she won in the smaller theatre of Manchuria, and deal another and more fatal blow to the League and Kellogg Pact idea.

Some of my friends tell me that if, as a result of these negotiations, Japan could secure any such position as this, the military party would gain a new lease of power, would immediately begin to absorb China and would be in office for a generation. They tell me also that if they fail, if the result of their denunciation of the Washington Treaties and the naval ratio is that the United States and Great Britain make it clear that they will build to maintain equality of security, and will fortify their islands if Japan fortifies hers; still more if the United States and the British Empire are brought more formally together in defence of the Washington Treaties, and if China and Russia—and Russia is much stronger to-day than she was in 1921—to say nothing of France and Italy, also make clear their intention of standing firmly behind the basic principles of the Washington Treaties so that Japan finds herself isolated and confronted by a combination where she cannot play power-politics—a combination stronger and better equipped and prepared to take action—the policy of the militarist party will have failed, they will be defeated and the moderate party will be returned to power. If this is so, and while I am not expert at all on Far Eastern affairs, this diagnosis is based on information from people who do know, the situation fundamentally is not unlike that which existed in Europe at the beginning of this century. The question then was whether the world was to have peace through internal revolutions or was to settle the issue between militarism and democracy by world war.

The vital question to-day is not that of Anglo-American relations, but whether the signatories of the Washington Treaties are going to stand together for the principles on which they are based—equality of security, the integrity of China and the "open door," and the collective system for the Pacific. That is the road both to peace and to justice to China. Failure to stand together, if it enables the Japanese military party to fulfil its ambitions, must, sooner or later, lead to war.

Before coming to conclusions I should like to consider for a few moments the detailed position of the main Powers concerned, as it is only by recognising the difficulties which confront them that we shall see the difficulties which have to be overcome if a sound solution is to be reached.

First of all as to the position of Great Britain. People do not always realise the present weakness of Great Britain in the Far

East beyond Singapore. In 1922 there was no German problem in Europe. Germany was still prostrate and Europe was pacified, if not by the League, at any rate by the military ascendancy of France. Japan was a willing participant in the Washington system. The position is quite different to-day. Great Britain is confronted with a very dangerous situation in Europe. There is danger because of the unstable equilibrium in Europe itself. The capacity of Great Britain to act may be of vital importance. Most people in authority feel that it would be a grave danger to Europe if Great Britain were to move a large portion of her fleet out of European waters. Whilst naval action is very slow in its effects, Germany realises how very formidable is the blockade in the long run. Therefore, from the point of view both of British defence and of strengthening European stability during the critical years which lie ahead, Great Britain cannot denude these islands of her fleet. She has also to consider the Mediterranean. On the other hand, in the Far East, Japan is now not willing to continue the Washington Treaties. The party in power is militarist; the country is much more powerful than it was when the Anglo-Japanese Alliance was made. Japan to-day is expansionist. In these conditions there are three possible policies for Great Britain. She can build an additional fleet and station it at Singapore. Such a fleet would be able to make itself felt in the Pacific. You can all realise the difficulties of that policy, both financially and from the point of view of disarmament. Or, she can come to a definite understanding with the United States as to the terms on which they will stand together. Alternatively, if she cannot get an agreement with the United States she can try to come to terms with the Power—namely Japan—which is best able to damage her vital interests in the Far East.

There is a section of opinion in Great Britain which thinks that the last is the right solution. My view is that it is both a feeble and a delusive policy. The only condition upon which Japan would guarantee British interests and possessions in the Far East would be a condition which would reduce Great Britain to dependence on Japan. We should have to abandon both China and the collective system in the Pacific and so agree that Japan was the sole effective Power in the Far East, and we should have to undertake to remain neutral in the event of a Japanese quarrel with Russia on the one hand and the United States on the other. I cannot conceive of Japan being willing to guarantee our trade or possessions for any less price, because otherwise she would be giving a guarantee for nothing. Such a policy, too, would, of

course, inevitably split the Empire from top to bottom. General Smuts made that quite clear in his remarkable speech at the recent dinner given by the Institute.[1] It would certainly lead to the United States being estranged from Great Britain, retiring to Hawaii and leaving Japan completely dominant on the coast of Asia. Finally, the security of British possessions in the Far East would depend on the duration of time that the military party in Japan decided that it was to their interest to abide by the arrangement. I, therefore, rule out such a solution.

Is it possible to make an arrangement with the United States? If such an arrangement were made, would the United States live up to it? And would we live up to it on our side also? It sounds an easy question to answer, but it is not. It is going to be the core of the issues which will be debated in the world in the next twelve months.

Let me take first of all the United States. The United States is more pacifist to-day than she has been in her history. The American eagle in the old days used to be rather fond of screaming, but since the War its screams have had no belligerent note. The dominant feeling in the United States to-day is that she will be lucky, in the world as it is, if she can keep out of war, that war seems to be approaching in Europe and that it is possible also in the Far East. The rank and file of the American population is inclined to say: "We are not liable to be attacked in our own country; is it not the right policy for us to have a navy which will keep Europe off North and South America and will enable us to maintain a defensive line in the Pacific which will keep us free from menace from Asia also?"

There is another section of United States opinion, a more far-sighted section, which recognises that in the long run that attitude is fatal both from the point of view of peace for the United States and from the point of view of world peace. It has no illusions about the party now predominant in Japan and its intentions, and it recognises that the right solution, the solution which has the best promise both for justice and for peace, is that the United States should stand whole-heartedly behind the collective system in the Pacific—not in Europe. Where the President stands I do not know, but he has shown his intention of building up to the 5 : 3 ratio by producing one programme of naval replacement after another in the last year and a half. It is quite certain that the United States will not allow the Washington ratio to disappear.

It is not going to be easy, in my view, to convince the great

[1] See *International Affairs*, Jan.-Feb. 1935, pp. 1-19.

mass of American opinion that it is in their own interest, if they are challenged by Japan, to stand behind the three basic principles of the Washington Treaties in so definite and decisive a way as to convince the Japanese militarists that they cannot force a split between the United States and the British Empire. What the ordinary American is inclined to say is: "Our actual interests in the Far East are very small; our trade, for instance, is much less than that of Great Britain; our actual territorial possessions are only the Philippine Islands, which we have contracted to evacuate at the end of ten years if the Filipino people wish to take over their own affairs. Standing for the collective system in the Pacific means, in fact, pulling the chestnuts out of the fire for Great Britain in the Far East. Great Britain and the British Empire will be the real beneficiaries of such a policy."

If this question comes to a head there will be a severe struggle in the United States between the two points of view. The long-distance point of view is represented by a very interesting article contributed by Colonel House to an American paper called *Liberty*, in which he says that the United States must come out of isolation, must take on the major responsibility of defending the collective principle in the Pacific, in view of Great Britain's liabilities elsewhere, as the only way of eventually keeping herself out of war. I think that is a perfectly true diagnosis. But democracies are proverbially slow in understanding the ultimate implications of international affairs, and even more proverbially slow to take action in a crisis, often postponing action until perhaps it is too late.

On the other hand, there seems to be little doubt that the Administration in the United States is to-day inviting Great Britain to cooperate actively with herself in maintaining the basic principles of the Washington system, including the maintenance of the collective system in the Pacific. Mr. Norman Davis, in an authorised statement made on December 6th,[1] said:

> "In order that each nation might be warranted in subscribing to qualifications of its sovereign right to maintain such a navy as it saw fit and at the same time feel reasonably insured against aggression, there was concluded a group of agreements, the purpose of which was to remove the causes and the incentive for aggression by establishing a collective system for cooperation among the nations concerned in promoting and maintaining conditions of peace in the Pacific and the Far East. . . .
>
> Is the equilibrium that was established by the system worked

[1] *New York Times*, December 7th, 1934.

> out in the Washington Treaties to be continued or is it to be upset? The American Government stands for continuance."

I think that is the first time that the American Government has mentioned the collective system since 1920. It is a very significant thing that the United States says that she is prepared to stand by it so far as the Pacific is concerned.

Let me now turn to the difficulties of the British position. I do not want to discuss the Manchukuo incident, but Great Britain was certainly not in the front rank in maintaining the collective system in the Pacific at that time. Mr. Stimson was much more forward in the matter than we were. I have always thought that the mistake of British policy at that time was not the view which it took of Japan's intentions in Manchuria—I think its diagnosis was closer to the realities than that of the United States—but in its rejection of Mr. Stimson's offer to reverse the isolationist decision of 1920 and act with us in support of the collective system in the Pacific. This failure on our part to live up to the spirit and the letter of the Washington Treaties early in 1932 drove the United States back into isolation. The question to-day is whether Great Britain is going to repeat that mistake and drive the United States back into isolation again.

That is the real issue which will arise out of the naval discussions in London. I do not want to exaggerate. I have not underrated the difficulties of knowing where we are with the United States, owing to its constitution. It is one thing, as we all know, to find out what the President of the United States wants to do, and it is quite another thing to be sure that the United States itself, and still more the Senate, is behind that position. Therefore I do not plead for any undue recklessness. I plead for the view that we should go just as far in supporting the Washington principles as the United States will go—no farther—but that we should not, by hesitation, destroy this opportunity, perhaps the last that will occur for another ten years, of securing the active cooperation of the United States in the collective system in the Pacific.

The difficulties from the British point of view are, I admit, not to be minimised. Supposing that we agree to stand for the Washington principles with the United States, and suppose the Japanese military party, following the ordinary rules of power diplomacy, decide to pick a quarrel with us and not with the United States, and to go for those hostages of ours in the Far East, the Yangtse trade and Hongkong; what is to happen? If the United States is not in the crisis with us from the start,

we shall have nothing else to do but to retire to Singapore. We have no fleet in the Pacific. We can defend Singapore, so I am assured, but we cannot go beyond it. Can we rely upon the United States to stand by the collective system in the Pacific if it is challenged in this way? The best answer is that the United States cannot make the collective system or the Washington principles effective in the Pacific area unless we are with them. The issue is really the same for both of us. Together we can succeed; divided we are each impotent. Yet the difficulties of cooperation are not easy to get rid of. Will the United States stand behind the collective system, or will it be represented to her people, by another "band of death," that to do so is just involving the United States in Great Britain's wars? And will Great Britain also agree to back the collective system and the Washington principles in the Far East even if the United States does so also? Will she agree to take a firm stand against Japan, if necessary, without having anything more substantial to rely on than a declaration by the United States Administration that they intend to stand by the fundamental principles of the Washington system, or will she hesitate and try to keep in with both sides as she has been doing since 1931?

I think that Lord Balfour would have taken the risk. He would have said that the United States, having the same ideals as ourselves and a large population mainly of the same race and with the same institutions as ours, would come in on the right side, late perhaps, but in time. The act of faith which Great Britain has to make is the same as in 1914. By the year 1916 she had made up her mind that she had guessed wrong, but within three months of the end of the year she found that she had been right after all and that the United States was on the side of the Allied cause with all her might and main.

I only want to say two things more. The first is about China. The ultimate solution of this whole problem is the regeneration of China. There is no other ultimate solution. All the difficulties arise from the fact that China is in disorder and that Japan therefore thinks she is in a position to establish a dominant position in China, to secure privileged economic interests there, and eventually make herself overlord of the country.

I am told by a number of friends that the most remarkable and significant thing that is happening in the Far East to-day is the slow, imperceptible recovery of China. It is like an ant-heap in which people suddenly observe that somehow order is beginning to appear in what looks like a completely disordered mass. I

am also told that the Japanese, who, as I said before, are becoming very much strained, are also becoming increasingly conscious of the latent strength of China. Therefore, if we are going to solve the Far Eastern problem, perhaps the most important thing is that the Powers of the West, including the United States, should go actively to the support of China in the next few years to assist her to organise herself and strengthen her government, because that is the only solution of the problem which would be final and which does not involve the immense difficulties and dangers which are inevitable so long as China is weak and disorganised.

The second thing I want to say is that I am in no way hostile to Japan. I believe that Japan ought to have, and will always have, a predominant influence in the Far East, if she follows the line of good-will and moderation. But I believe that her own historians will come to see that the denunciation of the Washington Treaties under the dictation of the army and navy—treaties which had eliminated the war cloud from the Pacific, which had stopped competitive building, which gave to Japan not only security but predominance in the Far East with everybody's consent, provided she did not challenge the integrity of China proper—was the most disastrous decision taken since she entered upon the modern era. It imperils all she has gained in fifty years of patient effort, and will, I believe, gain nothing but frustration and failure. For, despite all the difficulties, I am convinced that if it is the policy of Japan to upset the Washington principles, to destroy the integrity of China and upset the equal security created in 1922, not only will the United States and Great Britain be driven to act together in defence of those principles, but China and Russia also, and that the combination will be strong enough to prove to Japan that she can find salvation on the lines of the Washington Treaties and on no others.

*Summary of Discussion.*

PROFESSOR A. J. TOYNBEE said that he admired the way in which Lord Lothian had put the difficulties of his own case. The Japanese military party had very good cards in their hands. They had already achieved something in creating a situation in which there could be no *status quo* between Great Britain and the United States; either relations between them must become much better or else they would become much worse. Great Britain's position was more difficult than that of the United States because she had more pawns within range of Japan—Hongkong and the International Settlement in Shanghai, where the British stake was greater. But those pawns were not so valuable as

Australia, New Zealand and Canada, and it would be better to risk them than to risk good relations with the self-governing Dominions.

To understand what the relations between Great Britain and the United States were, it was best to go to Canada. Although Canadians differed among themselves more than people in Great Britain, everyone agreed that the foundation of Canada's policy must be completely friendly relations with the United States, whatever Great Britain did. A very slight strain in the relations between the United States and Great Britain produced a much greater strain in the relations between Canada and Great Britain. On anything of profound importance, and the Pacific problem would be realised not only by the President but by the people of the United States to be of fundamental importance, the Canadians could not afford to part company with the United States.

Lord Lothian had said that if the Japanese were allowed to fortify their Pacific islands they would have prized the British Empire asunder. The geographic wedge would be less important than the moral wedge which they would have thrust between Canada on the one side, which must go with the United States, and Great Britain on the other side, who would then be at the mercy of Japan and would have to follow her policy. If Great Britain got into that situation it would be difficult to repair.

The American inhibition about entanglements related to entanglements in Europe. When President Wilson was beaten over the collective system at the end of the War, he was beaten by a proposal which, as seen by most Americans, meant America again entangled in Europe and so disobeying the commandment of Washington himself. Americans had not the same inhibition about entanglements on the Pacific side. They regarded the Far East as a region in which as a matter of course they took action, much as they felt British people talked about the Near East or India. That was a hopeful fact, one of those illogical things in the outlook on the world which counted for a great deal. Americans would be more sensitive to dangers across the Pacific than to dangers across the Atlantic.

If Great Britain followed the policy recommended by Lord Lothian, though she would be risking the trade centres on the coast of China, the prospect of President Roosevelt's putting through his policy of collective solidarity in the Pacific was greater than the prospect President Wilson had had of getting the United States to sign the Covenant of the League of Nations. The policy which refused to risk a temporary loss of Hongkong and Shanghai would be short-sighted and would bring the country into much deeper waters.

Lieut.-Colonel P. W. North said that at the time of the Russo-Japanese War the army men had talked of what they would do if they had a free hand in Siberia, always adding, " but that the Americans would never agree to." Was not a possible solution of the difficulty that Great Britain and the United States should give Japan a free hand in Siberia, so that she might cease to interfere with British trade

in China? It was true that in Manchuria there was no great chance for the Japanese to expand, because the Chinese could live where the Japanese would starve, but the population in Siberia was more sparse.

It was possible that the financial situation in Japan was even more serious than was supposed. At the time when the Japanese made peace with Russia, they had been practically at the end of their resources, though people then did not know it.

MR. CHARLES V. SALE said that the key to Japanese policy was not to be found in the modern alignment of political parties but in the traditions of the people. Japan had a line of Emperors in unbroken succession for over two thousand years and was proud that she had never suffered foreign domination. When Christianity had seemed likely to entangle Japan in the wars and persecutions of Europe, she had closed her ports rather than risk her independence and had maintained her isolation until it was broken by Commodore Perry, demanding the right of trade and residence in the name of the United States. The Japanese had said in effect, we yield because you have ships and guns and knowledge which we have not, but with that yielding went the firm determination to work for a complete recognition of the right to equality in all her relations with the West, and in that determination lay the mainspring of every effort in education, in farming, in factories, in trade, in the navy and in the army, since that time. It was the inspiration of every class—and indeed of almost every man, woman and child. He had rejoiced when the Anglo-Japanese Alliance gave recognition of the great qualities of the Japanese people. He was resident in Japan at the time and remembered the rejoicings and also the dismay of the Germans, who saw in it an obstacle to their plans of world domination. The wisdom of that policy had been shown in the War, when the Japanese fleet helped to keep open the sea-ways of the British Empire. People in Great Britain had never realised how much the final victory was due to the way in which Japan came to Great Britain's aid in the early days of the struggle. All the Allies, including the United States, had shared in the advantages flowing from Japan's loyalty to her treaty obligations.

How had the English-speaking peoples expressed their gratitude? In the first place, when the Covenant of the League of Nations was being discussed they had refused to accept Japan's proposal that a phrase should be inserted endorsing the principle of the equality of nations and the just treatment of their nationals. Secondly, the Anglo-Japanese Alliance had been terminated as a concession to unwarrantable suspicions in the United States. Thirdly, the United States had passed a law in 1924 prohibiting all Japanese immigration despite the strict fulfilment by Japan of the Gentleman's Agreement of 1907. Finally, instead of recognising Japan as an equal partner in time of peace as well as in time of war, the Washington Conference imposed the naval ratio of 5 : 5 : 3, which Japan accepted on the understanding that all the Powers would bring about a reduction of

their offensive forces. Instead of a reduction, the United States had increased its forces in the Pacific, enlarged its naval bases, built aircraft carriers and high-speed bombing machines in large numbers. Japan sought the reason and felt that her independence was threatened and her right to equality denied. If the Western peoples were sincere in their much-proclaimed desire for peace, they would concede the right to equality and discuss the limitation of offensive power which Japan had suggested.

ADMIRAL SIR SYDNEY FREMANTLE said that Lord Lothian's description of the circumstances surrounding the conclusion of the Washington Treaty was admirable, but it was not the proportionate strength of the navies which was fixed at 5 · 5 : 3. The British navy would never have agreed to that. It was merely the proportionate strength in battleships which was fixed at 5 : 5 : 3. Great Britain was left free to build as many cruisers and destroyers as she pleased and was entirely indifferent as to the United States building battleships. The only mistake was that in limiting the size of cruisers to ten thousand tons, the Treaty led to an enormous increase in the size of cruisers in every country with a corresponding addition to the cost.

Lord Lothian had suggested that the cooperation of the United States would make it possible, in case of necessity, to suppress Japan. Nothing of the sort was the case. Hongkong could not maintain more than four or five battleships and a corresponding number of other craft. It could give no hospitality in addition to United States ships. The United States had the Philippines, but they were much farther off. In the first month of war Hongkong would be in the possession of the Japanese; the garrisons at Shanghai and Tientsin would be prisoners or would have been evacuated; the China trade would have been destroyed for a generation and British prestige in the East would have gone. That was a thing that could not be contemplated and no assistance from the United States, in the remote possibility of their coming in, would be of the smallest value. In the event of war between Japan and the United States, the Philippines would be taken by Japan in the first three months and after that there would be stalemate, involving neutrals in a great deal of annoyance and probably dragging them into the war.

As for the prospects of establishing the collective system in the Pacific, surely it would be meaningless unless its first function was to eject Japan from Manchukuo. Mr. Stimson's half-hearted undertaking that he might under certain circumstances support Great Britain was very little to rely on and Lord Lothian had pointed out the difficulty of moving the U.S. Senate.

His conclusion was simpler than any of Lord Lothian's three alternatives, namely, that Great Britain should remain friends with everybody and take no hostile action of any kind until her own honour or material interests were threatened. There was no fear from Japan unless Great Britain interfered in matters which did not concern her.

He could corroborate Lord Lothian's remarks about the rehabilitation of China, where he understood the Government was really succeeding in establishing law and order over large areas. The Cantonese had joined in checking the Communists, which was a hopeful sign. There was no indication, however, that China would develop into a warlike nation for generations.

MR. WICKHAM STEED said that at the time of the Russo-Japanese War, a very eminent representative of Japan had said that he feared that Japanese military people would be so elated by their victory that they would drive Japan into the policy of attempting to dominate China, which had already proved fatal twice. He had described China as like a wall of cotton wool, into which one could walk easily, but the farther one walked in the solider it became and then it began to push one back. Not long ago he had received a personal message from a Japanese statesman which made him believe that not all the reasonable and responsible men in that country were yet dead, though British and French policy had " let down " very badly the elements in Japan which had made the original Anglo-Japanese Alliance.

It was not merely as a concession to American opinion but out of care for the cohesion of the British Empire that the Japanese Alliance had been terminated in 1921. It had been clear that if Great Britain remained Japan's ally, whether technically against the United States or not, in the event of hostilities between the United States and Japan the whole of Canada would have sided with the United States and would probably have been followed by Australia and New Zealand. At that time the Admiral then in command of the Pacific Fleet of the United States had said that if hostilities broke out, all the United States could do would be to hug the coast for two or three years and prevent the Japanese from landing. Hawaii and the Philippines would be lost. But a British naval authority had told him, in complete contrast to Admiral Fremantle's view, that, given six weeks' notice of hostilities, the British navy could save the Philippines for the United States with a cruiser squadron based on Hongkong.

Lord Lothian had shown the extreme urgency of some definite policy on the part of Great Britain and of the British Commonwealth. General Smuts had spoken the truth when he warned Great Britain that wavering on the issue in the Pacific would undermine the cohesion of the Empire. There was no reason to follow a policy of hostility to Japan, but every reason to adopt a policy such as Great Britain's friends in Japan could rely on. In 1914 there had been considerable hesitation before the naval party, and the Emperor had triumphed over the military party, which wished to break the Alliance and join Germany. It must also be remembered that very soon afterwards the Twenty-One Demands were presented at Peking, and that when things seemed to be going badly for the Western Allies, steps were taken by the Japanese to prepare revolution in India against British rule. If Great Britain worked with Japan it must be with those in

Japan who had the same ideal of civilisation. The object of the collective system in the Pacific would not be to turn Japan out of Manchuria but to secure that in future force should not be used as an instrument of national policy. If this were not done, and if Great Britain did not invite the United States to join her, she might have to say good-bye to her influence in the Pacific.

COMMANDER W. B. C. ROSS wished to refute the suggestion made by Admiral Sir Sydney Fremantle that Great Britain was powerless against Japan in the Pacific. It was true that, during the six weeks or so that would elapse while the British Fleet was assembling and getting out to Singapore, the Japanese could probably count on being able to capture Hongkong : but he quoted the opinion he had heard expressed by Admiral Sir Herbert Richmond, at a recent discussion at the Athenæum Club on an International Police Force, to the effect that if the collective system functioned, so that an economic blockade of Japan were established, so that no country would lend Japan a single penny, that no ship would be allowed to clear from any port with a cargo for Japan, that no Japanese cargo could be unloaded at any port, then the Japanese would be ready within three months or so to hand Hongkong back and beg for mercy. The economic blockade alone was capable of bringing Japan to her knees, if it was necessary to police her for the good of the world.

MR. F. N. KEEN asked what was the extent of Russia's trading interest in China. Was there in Russia, as in the United States, a clash between the near view and the distant view of policy? With the increase of Japan's dependence on food supplies and raw materials from the mainland, Russia would have considerable power to control the vital interests of Japan.

DR. THOMAS BATY, referring to the asserted occupation of Shantung by the Japanese, said that the Japanese had only occupied the former German railway zone. He wondered whether the scheme of the Washington Treaties was really to guarantee the permanence of anarchy in China, relieved only by progress in imperceptible degrees.

DAME ADELAIDE ANDERSON was sure that the Chinese would welcome any help from Great Britain, and there could be no controversy over cooperation with the United States in the resuscitation of China. The gratitude of the Chinese for the immense work done for the Chinese National Flood Relief Organisation by Sir John Hope Simpson had been remarkably strong, and generously expressed.

VICE-ADMIRAL S. R. DRURY-LOWE referred to the Twenty-One Demands presented by Japan to China and did not regard it as the action of a loyal ally that they were presented in absolute secrecy. Mr. Lloyd-George had declared at Versailles that he then heard of them for the first time.

Lord Lothian was grateful to Mr. Sale for putting Japan's case so clearly but held that at every point it was invalid. Surely Japan had had equality for many years. She had absolute security in the Pacific, with no naval base nearer than three thousand miles. She had been able to play her own hand in Manchuria without any interference. He had never been able to see why the substitution of the Washington Treaties for the old Alliance could be said to be a "letting down" of Japan. Japan owed much of her recent success to Lord Lansdowne and the Anglo-Japanese Alliance. Without it she would never have got her start. Yet everything she did for the Allies in the War had been handsomely paid for. At the height of the submarine campaign, when Japan was asked to help in dealing with it, she had made it a condition of sending a few destroyers to the Mediterranean that Great Britain should pledge herself to support Japan's acquisition of every German possession north of the Equator in the Pacific. The balance of advantage had been very fair. Japan had gained everything during the early period of the Alliance and had stood by the Allies during the War in return, getting quite well compensated for doing so. How could the termination of the Alliance be described as desertion when Japan and everybody else, except the United States, had signed the Covenant of the League of Nations which made such an Alliance unnecessary, if not illegal? It was really substituting a Three-Power for a dual system in the Far East. Nobody was menacing Japan and nobody questioned her privileged position in the Far East to-day. What people did object to was the absorption of the whole of the Far East by Japan and the destruction of the sovereignty of China, which had been provided for by the Anglo-Japanese Alliance.

Admiral Fremantle had interpreted his proposals as meaning war. The essence of his position was that if the Powers behind the collective system of the Washington Treaties convinced people that they would not be pushed from the Washington Treaties, then the Japanese power-diplomats, who were realists, would never start a war. Military people were more realist than some of the supporters of the peace movement, who were inclined to get themselves into dangerous positions by pacific bluff. As much experience was needed for using power-diplomacy behind the collective system as in the older international competition.

With regard to Russia, for any period within view she was likely to be entirely pacific. She had a tremendous job on hand trying to make a success of her internal system; she had all the resources she needed; she had a gigantic population. Her trade with China was mainly overland and consisted of cheap goods which could compete in the west of China because of the distance from Shanghai but not in the east. Her sole object was to maintain the integrity of her frontiers in the east and in the west and she would support the other pacific Powers in maintaining the *status quo* in the Pacific.

If the United States were to decide to enter the League it would solve a good many problems, for the United States was the balancing factor in the world. Until she entered the War there was military

stalemate, which would have meant a victory for Germany; she it was that put the Covenant into the Treaties and it was her withdrawal which had made it so largely ineffective. If the United States were to join the League, Germany would have to join it the next day. A little later, Japan would have to come back to it also, making some arrangement about Manchukuo and about the naval ratios. But it was no good expecting the United States to jump into that position, with 130 million people, the vast majority of whom had never seen the sea and felt that the warring world of Europe and the Far East were very distant and ought, if possible, to be kept at a distance.

The question before the United States and before the world was whether it was more likely to avoid war by making the collective system effective or by perpetuating an anarchic system. It required time for democracies to understand and pledge themselves to collective action. Some collectivists wanted to go too fast and commit Great Britain to obligations all over the world which she could not fulfil unless all the other Great Powers were committed to them also.

There was now an opportunity, if wisely handled, of building up a collective system in the Pacific behind the Washington Treaties. The Manchurian question might be settled by giving Manchukuo the status of Egypt, with Japan the protecting or mandatory Power, but securing to the inhabitants some voice in their own government, giving other countries diplomatic rights there and equal opportunities for trade. But if China was to agree to a Japanese protectorate there would have to be real guarantees that there would be no more Twenty-One Demands and no further intrusion on China's sovereignty and independence.

If the United States would cooperate in the Pacific on these lines and would help to persuade Japan that her interests also lay in co-operation and not in power-politics, it would be an immense contribution to the collective system. It would free Great Britain's hands in Europe and end the possibility of a combination between Japan and Germany to play the power-diplomacy game. It would be the first step away from the reactionary tendencies of the last five years, and success in the Pacific might be followed by the reconstruction of a collective system in Europe with Germany again a member of the League of Nations.

# THE MERITS AND DEFECTS OF THE LOCARNO TREATY AS A GUARANTEE OF WORLD PEACE[1]

By Lieut.-Colonel Sir Edward Grigg, K.C.M.G., K.C.V.O., D.S.O., M.C., M.P.

My own qualifications to discuss the merits and such defects as there may be in the Locarno Pact are, I am afraid, very small. They amount to this. That in the years 1921 and 1922, as private secretary to Mr. Lloyd George, I saw a good deal of the international conferences of that time. After that I fought three general elections in two years and disappeared to Kenya. But I watched the development of affairs in Europe after the conclusion of this great agreement, not only with interest but with something of the detachment which I think belongs to people, for instance, in our Dominions who watch these events from oversea. And it is only that I perhaps combine these two qualifications of having been at one time intimately concerned with what was happening in Europe and having for a time after that been completely detached from it and having watched it as anyone in the Dominions watches it, that I claim to discuss this question.

One thing is clear both from the standpoint of a European and from the standpoint of one of our Dominions oversea. I have no doubt of the immense importance of the Locarno Pact not only at the time when it was negotiated but at the present time. Let me explain briefly why I think that. For three years after the conclusion of the Treaties of Peace, statesmen were working at a settlement which in a sense was not a settlement at all, because the machinery which they had intended to establish had, in fact, been broken at the very start. I know that that was the deepest impression that was made on me by the Conferences at which I happened to attend in 1921 and 1922. The peace settlement as made was fundamentally altered by the fact that it was not ratified by the United States of America and that the Covenant itself was not signed by the United States. The two most critical features in the non-ratification by the United States were in the

[1] An address given at Chatham House on January 29th, 1935, Sir Donald Somervell, O.B.E., K.C., M.P., in the Chair

first place that the Guarantee Pact to France lapsed, the guarantee which was given by the whole British Empire and by the United States. In the second place, what was almost as serious was the fact that the Reparations Commission which its authors had intended to be a more or less balanced body with one extremely detached member, playing the part of arbitrator in it, had to carry on without its most detached member, the United States. All that time statesmen were labouring to get Europe straight in spite of the fact that the machinery of the Treaties had lost balance in the way I have described and in spite of many other immense difficulties. Three years were occupied in attempts to make the broken machinery work, after which we really returned to what was in a sense a war period again, with France entering the Ruhr, without the support of Great Britain. That was the situation in 1923, and it was a situation that was not amended until the conclusion of the Locarno Agreements developed a hope of peace in Europe which had not been there before. Immense importance arises from that fact, and I still regard these agreements as the main basis for the hope of seeing a relaxation of tension and, by degrees, the establishment of such a sense of security as will permit the limitation of armaments. It is from that point of view that I wish to discuss some of the features in the Locarno Pact itself which I think have militated against its achieving all the results it ought to have achieved, and I may say in passing that some of the features have nothing to do with the Pact itself, but arise from outside circumstances.

But before I come to a discussion of the Locarno Pact I would like to make some general observations on a point which is raised by the Pact itself. I mean the importance to Great Britain, and to Europe as a whole, of realising the difference between the European and oversea standpoints with regard to security in Europe. We in England should try to achieve a policy which carries with it the willing support and endorsement of the Dominions and, if possible, some measure of moral support from the United States. In order to explain that let me deal for a moment with the Dominion point of view. Unquestionably the Dominions share with the United States generally a haunting fear of what they would call "European entanglements." The language used by the Dominions in that respect very much resembles that used in the United States. But to some extent in the Dominions that fear of European entanglements has been modified by confidence in the League of Nations. I think that in Canada particularly the attitude of distrust of Europe that was

often expressed by Sir Wilfrid Laurier before the War was modified by the confidence and enthusiasm aroused in Canada by the idea of the League of Nations, a confidence which was, I think, aroused by two things. In the first place, they had a new status under the League of Nations, as States Members of the League, which detached them from our shadow, so to speak, which constituted them really independent Powers and made them feel they could speak for themselves in many great questions in which their destinies were involved. Furthermore, they felt that the League represented a new departure in international politics and, as they hoped, a departure from a type of diplomacy in Europe of which they had always been afraid.

There was, however, a great weakness in the Dominion conception of the League which has had its counterpart here in England for the last fifteen years. That weakness lay in conceiving of the League as a power outside and above all national powers, as something which they could lean on, just as before the War they had leant on the mother country, something on which they could rely to keep the peace, rather than as something in respect of which they must recognise definite and practical obligations if peace was to be kept. Hence there has never been in the Dominions, in my opinion, any real acceptance of the League as the arbiter between peace and war, as an authority which might say to a State Member, " It is your duty here and now to undertake this obligation towards the League and on behalf of the League; " and I think that General Smuts when he spoke in this country a few weeks ago was rendering a very real service by making that attitude of the Dominions perfectly plain. I think it might be well that I should read to you his words, because I think he was speaking very clearly, not only for himself and his own Dominion, but for the general point of view of the Dominions. He said :

> " I cannot visualise the League as a military machine. It was not conceived or built for that purpose, it is not equipped for such functions. And if ever the attempt were made to transform it into a military machine, into a system to carry on war for the purpose of preventing war, I think its fate is sealed. I cannot conceive the Dominions, for instance, remaining in such a League and pledging themselves to fight the wars of the Old World; and if the Dominions leave it, Great Britain is bound to follow." [1]

I believe that to be a perfectly frank statement of the general feeling of the Dominions towards the League. And of course that

[1] *International Affairs*, January-February, 1935, p. 8.

feeling is deepened, and I think we have to recognise it, by the attitude and the relation of the United States towards the League. The United States exercise an influence on Dominion opinion second only to our own, and in some respects I think even superior to our own when we are held to be governed or led by the purely European point of view, and United States opinion, on the contrary, is held to be governed by wider considerations, such as the Dominions themselves share. General Smuts, I think wisely, called attention to that aspect of the matter :

> "I cannot conceive anything more calculated to keep the United States of America for ever out of the League than its transformation into a fighting machine, pledged to carry out its decisions by force of arms if necessary. And remember the United States has still to join the League before it ever will be its real self. Membership of the United States was the assumption on which the League was founded ; defection of the United States has largely defeated its main objects. And the joining up of the United States must continue to be the ultimate goal of all true friends of the League and of the cause of peace. A conference of the nations the United States can, and eventually will join ; it can never join an international War Office." [1]

That undoubtedly expresses the standpoint of the United States, and it has great importance from the Dominion standpoint as well. I may say that I have had recent evidence to that effect. I was quoted in Canadian papers the other day as having argued in favour of a modification of the Locarno Pact which would bring about the complete participation of the Dominions, and more than one Canadian newspaper of authority took me to task for supposing for a moment that Canada would consent to play any part in what some of the newspapers described as "musty European quarrels."

Here is an example from *Canadian Finance* (Winnipeg) of December 5th, 1934 :—

> "One small item in the very interesting debate in the British Parliament on November 28th, on Germany as 'the big, bad wolf,' is of even more interest in Canada. Sir Edward Grigg expressed the view—on what authority we have not the slightest idea—that 'opinion in the Dominions has been growing steadily in the last three or four years in favour of taking greater responsibility in enforcing world peace.'
>
> "It is to be hoped that Sir Edward will mislead no one. The Dominions are overwhelmingly in favour of world peace. But this Dominion at all events also is overwhelmingly determined not to fight for it again—unless the Empire is thrust into a position of

[1] *Op. cit.*

undeniable danger. We helped fight one ' war to end war ' and it will be exceedingly difficult to get us to fight another. We are not pugnacious enough to relish the idea of fighting an endless chain of ' wars to end war.'

" The British Parliament may be assured that, as regards our willingness to ' enforce world peace ' by sending our boys overseas to die on distant battle-fields, no one is empowered to speak for us with authority except our own representative and trusted statesmen. We cannot be employed as dumb pawns in any Old World war game. We will make our own choices and decide upon our own measure of responsibility. We do not even appreciate being bandied about in debates at Westminster as missiles on this side or that.

" We are as ready to pass ringing resolutions in favour of peace as anybody. Our lip-service to the League of Nations shows that. But when it comes to ' enforcing ' anything, we had better be consulted before being quoted, in order to avoid disappointment."

While General Smuts of course spoke, and I am sure spoke sincerely, as if his reading of the Covenant were the reading which was intended from the start, I am bound to say that I find some difficulty in accepting that idea. The Covenant does contain obligations inconsistent with the view held in the Dominions of their duty towards the League, and I think we must accept the fact that, as the result of experience since the signing of the Covenant and of the Treaties of Peace, and especially since the defection afterwards of the United States, there has been a well-marked evolution from the original ideas on which the Covenant was framed. That is supported to some extent by our own experience. I know that the thing that burnt itself most into my mind was the experience through which the Government of this country passed in regard to Turkey in 1922, when we were unable to carry out the undertakings given during the settlement made with Turkey, when we were compelled to break our word to Greece because this country was not prepared to live up to its treaty obligations and the Dominions were also unwilling to do the same. That is also the experience of Manchukuo. Our action in the Manchukuo imbroglio is a matter of controversy with which I do not intend to deal at all to-night. But it is unquestionable that what actually occurred amounted to driving a coach and four through Article 16.

This is the general standpoint from which I should like to discuss the Locarno Pact. My general conclusion is in agreement with that of General Smuts in feeling that the following three propositions are those on which we should now frame our policy in regard to peace and in regard to support of the League :

1. In the first place I believe with him that the soundest way of building up the authority of the League is not by submission to the League as the arbiter in peace and war, but by a definite and individual acceptance of the responsibility of supporting League principles throughout the world, and by taking appropriate action against breaches of them at our own discretion and according to our power. That I should say was the first principle or point in policy which we should pursue.

2. The second I should say would be to deal with and develop the principle of non-neutrality towards the use of aggressive war, towards the use of war as an instrument of national policy, and towards breaches of the Covenant in that respect. The principle, in fact, which I think is implicit in the Briand-Kellogg Pact.

3. As the third point, I would suggest that we should undertake definite military obligations only in local pacts and always at our individual discretion as to whether or not a case for intervention has arisen. Furthermore, I feel myself very strongly that these local pacts should be multilateral in character, that they should not be pacts guaranteeing one Power against another Power, or one group of Powers against another group of Powers, but should give an equal guarantee to every Power which is a signatory of them.

I come now to the Pact of Locarno itself. I suggest to you that the Locarno Pact is the first example of the application of that principle in treaties since the War. Instead of being, like the old guarantee pacts whose place it took, a guarantee merely of France and Belgium against Germany, it was a far better thing, not a unilateral guarantee, but a guarantee of Germany against France and Belgium just as much as a guarantee of these two countries against Germany, and in that respect it shows the wisdom and foresight of those who concluded it. These objects, as you may remember, are recited in the Final Protocol, which says:

> "The representatives of the Governments represented here declare their firm conviction that the entry into force of these treaties and conventions will contribute greatly to bring about a moral relaxation of the tensions between nations, that it will help powerfully towards the solution of many political or economic problems in accordance with the interests and sentiments of peoples, and that, in strengthening peace and security in Europe, it will hasten on effectively the disarmament provided for in Article 8 of the Covenant of the League of Nations."

Well, now what were the immediate results of Locarno? The first, of course, was that Germany received equality of status, not only in the fact that she was guaranteed as well as France, but that she entered the League and took her seat on the

Council of the League. It also, I think, produced the immedi result of our evacuation of the Rhine bridgeheads and it produc the evacuation of the French troops from the Rhine bridgehea long before the date fixed by the Peace Treaty.

Moreover, I think that Locarno was responsible for t settlement of reparations in the Lausanne Treaty, after a co siderable period, it is true, but mainly, nevertheless, because of t *détente* in the respective relations of France and Germany whi Locarno produced. Watching Europe from a distance I certain felt (and I have never since had reason to change that vie that Locarno had profoundly altered the atmosphere of Euro giving reason for a hope that had never existed before. becomes, therefore, a question of some importance why the Pa of Locarno failed to provide an adequate basis for the limitati of armaments which was amongst the objects declared in the fin Protocol. In that sense, and in that sense only, the Locar Agreements were less successful than the Washington Agreemen concluded three years before, and since the provisions of t Locarno Pact in regard to security are really more ample a more precise than any provisions contained in the Washingt Treaties, it is worth considering why the Washington Treati provided a basis of security on which a definite limitati of naval armament was carried out for a period of thirteen yea and why the Locarno Pact proved, on the contrary, an inadequa basis for the limitation of armaments in Europe.

I think that the most important reason why it failed in th respect is not connected with the Pact itself. In my opinion t failure was due to the length to which we carried unilater disarmament and the general feeling which our action created i consequence in both France and Germany that the aid which w could render to either of them in case of aggression was inadequat That has been very strongly felt in France, and I have found th the same opinion exists even in those liberal circles in German which no longer find any place in Germany. The fact is (and suggest this with conviction although I know it may be co troversial) that while setting an example of disarmament we wer in fact, destroying the only foundations on which an adequat agreement as to the limitation of armaments could be based.

The second point which I desire to make in regard to the failu of Locarno to act as a basis for the limitation of armaments wa the uncertainty as to the operation of the guarantee as provide by Article 4 of the Pact. You may remember that Article explains exactly the machinery which is to operate if a breach

the Pact occurs. We have had a good many statements of authority as to the manner in which that clause is to be interpreted. I think that one of the most detailed statements was that made by Sir John Simon in the House of Commons on November 7th, 1933, at a time when the fate of the Disarmament Conference was very much in the balance. It is a long passage and I therefore shall not attempt to read it to you now. Sir John pointed out that there are four cases in which our obligations under the Locarno Treaty may arise :

1. The case of aggression of such a character as to constitute no urgent danger on either side. An aggression of that kind would be referred to the Council of the League and we would be called upon to send help to whichever side the Council of the League declared to be the victim of the aggression.

2. The case of a breach of Articles 42 and 43 of the Treaty of Versailles which deal with the demilitarised zone. There also the Pact provided for reference to the Council of the League.

3. The case where there was such an immediate and direct act of aggression that there would be no time for a reference to the Council of the League. In that case it was for us to act on our own responsibility and at our own discretion without any advice from the Council of the League.

4. The case of any signatory of the Pact refusing under the terms of the Pact to refer a matter in dispute to diplomatic settlement or to juridical settlement as the case might be.

Sir John Simon was careful to insist, and the insistence was very plain and direct, that in each of these four cases we ourselves must agree to any decision that was taken, and that a decision of the League Council, even if the rest of the Council were unanimous, would be of no effect upon us unless we ourselves agreed. It must be quite evident that insistence on our discretion, whatever the rest of the Council might think, was bound to give the impression that our action under the Locarno Pact was very problematical and uncertain.

I think that national opinion was in favour of Sir John Simon's interpretation at the time it was given. But national opinion has been changing in the past twelve or fifteen months. There has always been, if I read the mind of the country aright, some fear in this country of being dragged into action which our view of the circumstances would not warrant, and that anxiety has been particularly deep since France marched into the Ruhr. I think also that there has been a certain doubt whether cases might not arise under Articles 42 and 43 of the Treaty of Versailles as to whether a breach of the demilitarisation provisions which

had taken place was really serious enough for action under th Pact. We might be committed to action in a case of that kin which we felt not to have been grave enough to necessitate sanc tions of the sort that France might require. I feel that thi attitude of reserve was also dictated by the state of Dominio opinion, which may be gauged by the fact that the Dominions ar exempted from the operation of the Pact under Article 9. It i true that the matter was discussed with the Dominions at th Imperial Conference of the following year (1926), and that th Dominions gave a general approval of the fact that we had signe the Pact, although they did not undertake to sign it or endorse i themselves. In spite of that general approval of the genera policy of the Pact, there is an inherent weakness in the fact tha the Dominions have not signed it.

I am sure you will agree that whether our equivocal attitud towards the obligations of the Pact was justified by the circum stances or not, that equivocal attitude is very unsatisfactory fron the point of view of any Power which is looking to the Pact as basis of security on which to frame a real limitation of armaments It suggests that even if the rest of the Council were unanimous ou action under the Pact would still remain uncertain, and that mus create doubt whenever the Pact is discussed as a basis of security I do not quarrel with our retaining our discretion on that account I remember Mr. Lloyd George telling a story which illustrates th possibility that we might be right in standing out in a given cas even if the whole of the rest of the Council took the opposite view Such a situation is very unlikely, but it might arise. There wa a certain occasion during the Peace Treaty negotiations whe Mr. Hughes, the Prime Minister of Australia, held out very strongl on a point which he regarded as vital to Australia. After con siderable argument President Wilson intervened and in his mos magisterial manner said, " Do you mean to tell me, Mr. Hughes that if the opinion of the whole civilised world was against you you would still maintain your point ? " And Mr. Hughes said " That is about it, Mr. President, that is about it."

I feel that occasions might arise when we were really unable t take the same line as the rest of the Council, and that our attitud may have this justification, that, under the action which it wa proposed to take, all the sacrifice, or by far the greater part o the sacrifice might fall upon us and not upon the other people wh recommended it. And remember this—that even if, in this cas of sanctions, the expenses of the sanctions were shared by othe Powers, you are dealing with a sacrifice of life in the case of th

Power that actually carries out the sanctions, and that it is very difficult to assess that sacrifice in terms of pounds, shillings and pence.

I think that you must also look at the point the other way round. I can conceive cases in which we might feel honourably bound to take action in support of the Pact, even when the rest of the Council was not unanimous, and I should object very much to having to feel that, in a case where we really thought our honour involved, we were not entitled to take action because, owing to some diplomatic collocation, there was not unanimity on the Council with regard to it. I feel (and I put this to you strongly) that no nation should put either its honour or the lives of its subjects at the disposal of an international conference, and by honour I do not mean prestige—I mean treaty faith and loyalty to League principles. Far better to remove all possibility of equivocation in matters of this kind and to make it clear that we retain complete discretion in our own hands.

If we do that, and if the Locarno Pact can by agreement be amended in that way, I am certain that it will help very greatly in securing the adhesion of the Dominions to the Pact. I believe, moreover, that our discretion would be accepted in Europe at the present time, if the character of our intervention and the steps that we were prepared to take were made effective and had been defined in advance.

Certain other amendments are desirable to secure the clear endorsement of the Dominions and perhaps the ungrudging endorsement of Great Britain as well.

The first amendment which I would suggest, is that the guarantee should include England. The Pact as it stands does not include England.[1] The Pact is to guarantee the frontiers between France and Germany and between Belgium and Germany against attack from either side, and there is no guarantee in the Pact itself for us. It is true that a guarantee to us is implicit and is very important in that form. But the fact remains that at the time the Pact was negotiated our exposure to attack from the air was not so serious or was not realised so clearly as it is at the present time, and I think that there is a case now for including this country in the guarantee which is given under the Pact. I see a difficulty which would take some time to discuss if we were to be included in the guarantee. Italy might require a similar

[1] The Anglo-French proposal for an Air Pact which would provide a guarantee of assistance for Great Britain in case of unprovoked attack by air by one of the other signatories of such a convention was announced on February 3rd, 1935.

guarantee, and that would mean extending the obligations which we incur under the Pact. I am not sure that in itself this would be a bad thing, but it is one of the points which have to be considered. One thing I am quite certain of, and that is that the Pact would immediately be more acceptable to the Dominions.

In the second place, I would like to see the Pact amended so that we could dispose in some way of the obligation arising from Articles 42 and 43 of the Treaty of Versailles. The demilitarised zone in Germany cannot, I think, be a permanent thing. It is in itself a declaration of inequality of status. I do not wish to take time in discussing the point, but it seems to me that this inequality of status must be removed, and that until it is removed it will constitute a real weakness and defect in the Locarno Pact as we see it to-day.

Finally, and this is the most important point of all, I think we should endeavour to frame the Locarno Pact as a local guarantee of security in a wider frame of collective security arrived at by an understanding with the United States on the principle of non-neutrality towards an aggressor under the Briand-Kellogg Pact. The most hopeful line, I believe, would be to seek an understanding with the United States that we should consult with each other in case of a breach of the Pact with a view to establishing non-neutrality against the aggressor. Such an understanding I believe to be most desirable as a world setting of local pacts. It would help very greatly with the Dominions and I believe that it is more likely to be acceptable in the United States now than at any time since the Briand-Kellogg Pact itself was concluded, because it may help the United States herself in the Far East. Along that line is much the best hope of bringing the United States of America into the League.

I am afraid that what I have said may seem to some to be a weakening of the authority of the League. I believe, however, that the best way of building up the authority of the League of Nations in the present state of the world is to accept individual responsibility for living up to League principles rather than to throw all that responsibility on to the League itself, and that the best way of giving immediate effect to that principle is to work for three things:

1. A remodelling of the Locarno Pact;
2. A re-affirmation of the Washington Treaties; and
3. An amplification of the Briand-Kellogg Pact, providing in particular for consultation between the British Empire and the United States as to joint non-neutrality towards any breach.

*The Discussion.*

SIR AUSTEN CHAMBERLAIN : As one who bore a part in the negotiation of the Treaty of Locarno (which is a Treaty, Sir Edward not a Pact), I have no fault to find and no serious, certainly no hostile criticism to make about anything that Sir Edward has said in his very interesting and thoughtful speech. My mind in contemplating the European problem and the position and the possibilities of the League of Nations runs very much upon the same lines as his appears to have followed. What might have been possible if the United States had ratified the Covenant from the first and taken her place on the Council of the League and on the Reparations Commission, in the Council of Ambassadors and in all the post-War arrangements for European cooperation, is an interesting subject of speculation, but it is no longer practical politics, and the fact that the United States decided not to ratify the Covenant, not to sign the Peace Treaty, not to participate in those European entanglements to which Sir Edward has referred requires that we should reconsider the Covenant in the light of the possibilities of to-day and not as it was considered at the time it was framed, on the assumption that the United States would participate.

That leads me to the same conclusion as Sir Edward Grigg, namely that you will not strengthen the League, if anything you will destroy it, by seeking to superimpose further structures on the building, which is already a little top-heavy, and to make more precise every obligation which can be read into the Covenant as it stands. In my view there is no more dangerous procedure that supporters of the League can be led into than that which in my time at Geneva was known as "filling up the gaps" in the Covenant. You do not want a new superstructure. What you require is to strengthen the foundation on which the League rests, and it is my private conviction, confirmed by such experience as has fallen to my lot, that if you seek to make the obligations of members of the League heavier, calling upon them to act in every case which arises, however remote from their knowledge or however little affecting their national security or interest, you will destroy and not strengthen the measure of force which may on any given occasion be available to enforce the decision of the League ; and that the alternative of local pacts, which came in not to extend the general obligation, but to define and make more precise the way in which particular Powers, in a particular area and in particular circumstances, will fulfil their obligations is the true path of progress to a greater international security. That was one of the fundamental ideas upon which the Treaty of Locarno was based. If you ask Great Britain to undertake an obligation which shall apply to every case of aggression in every part of the world, in advance of any experience, I think the statesmen of Great Britain will insist that they depend on a fluctuating popular opinion and are powerless unless they can carry public opinion with them, and they will reduce the obligation to the minimum which they think, I will not say complies, but appears to comply with the Covenant. On the other

hand, if you ask the ministers of this country, " What will you do t repress aggression in the area in which you are most directl interested? " they will give a very definite and much more effectiv answer; and what is true of us I believe to be true of every othe country. The point is illustrated to my mind by the Far Easter difficulty that arose a little time ago. If we were discussing that should have a good deal to say about the unwisdom of the League i proceeding too strictly upon juridical principles with too little regar to the practical possibilities of getting them accepted. In my belief in those international relations now and for any time that even th youngest of us will live to see, an absolute rule of law will not prevai and you will serve the cause of peace best if, instead of insisting upo every juridical right, you allow a measure of compromise to enter int your decisions, and if the League, in particular cases, avoids being pu into the position that, having given a definite decision, it meets wit resistance and is impotent to take any effective action to secur compliance.

The Far Eastern question shows how difficult it is to secure action b the members of the League under what I may broadly call the sanction clauses of the Covenant, unless they feel so directly interested as to b certain of the support of their own people. I agree, therefore, with Si Edward Grigg, that the best way of strengthening the Covenant is b treaties on the Locarno pattern, which define for a particular case or a particular area, where the countries concerned are immediately an directly interested, the nature of the obligations they will undertake or the manner in which they will fulfil their general obligations unde the Covenant.

I do not think myself that the Treaty of Locarno is quite as vague a Sir Edward Grigg represented it to be, or as Sir John Simon in th speech referred to made it appear. It is a question of emphasis rathe than of inaccuracy. What is the position? The position is that if a aggression occurs and there is time for the matter of the alleged aggression to be referred to the Council, we are not bound to take any actio except to refer the matter to the Council, but we agree that we wil support the decision of the Council whatever it may be. The only case in which we bind ourselves to act in advance of the decision of th Council is the case where the emergency is of such a kind that in a few days irreparable damage may be done and the situation may become as it were, irrecoverable. That is really the clause which deals with th infringement of the demilitarisation clauses of the Treaty of Versailles Articles 42 and 43, to which Sir Edward Grigg referred. But in that case again the Treaty very carefully defines what would be a emergency. Thus, for the sake of discussion, there may be a disput about the development of the railway system in the demilitarised zone The Germans may say that the development of the pig market at such and such a place necessitates the creation of a great many more sidings and the French may allege that these sidings are really a preparatio for moving troops to the invasion of France. So, again, some con-

struction may be begun which the French claim to be fortifications within the meaning of the demilitarisation clauses, and the Germans allege to be some kind of innocent and innocuous building. Obviously in such cases as these there is time for a reference to the League. You do not make these great railway sidings in a day or without anybody knowing what is going on. You cannot construct, or we thought at Locarno that you could not construct, works of this nature without it being known what was being done, though we found afterwards that the Germans had constructed, without the knowledge of the Military Control Commission, a whole series of fortifications in Germany. We thought that could not be done without it coming to our notice and at first sight the matter would go to the Council and it might be settled, one would hope, without disturbing the peace. It was only in the case of a flagrant violation of Article 2 of the present Treaty or of a flagrant breach of Articles 42 and 43 of the Treaty of Versailles by one of the high contracting parties that each of the other contracting parties undertook immediately to come to the help of the party against whom such a violation or breach had been directed, as soon as the said Power had been able to satisfy itself that this violation constituted an unprovoked act of aggression and that, by reason either of the crossing of the frontier or of the outbreak of hostilities or of the assembly of armed forces in the demilitarised zone, immediate action was necessary.

If you had not had a provision of that kind you would at once have rendered nugatory the demilitarised zone. I differ from Sir Edward about the demilitarised zone. It was established because twice in the memory of living man Germany had provoked war with France and, the second time, declared war on France and had proceeded at once to invade her; and the intention was to prevent Germany crossing the French frontier on the very day on which she declared war, and to introduce a delay which would not only prevent the immediate overwhelming of France before she could concentrate her forces, but might, by that very fact, serve the ultimate interests of peace and of disarmament. But it is a very special, carefully designed and narrowly defined emergency. I do not think Sir Edward Grigg, though he speaks of it as vague, criticised very much its terms. But he says it leaves uncertainty in the mind of France. That depends exactly upon how English statesmen express their sense of the obligation that it imposes. In the case of the Council, if you put it to the world that we have reserved the right to veto any decision of the Council that A or B is the aggressor, because that would involve us in certain action and we might not at that moment be prepared to take that action, you have not only destroyed the value of the Treaty of Locarno, you have destroyed the value of the Council of the League. If that is the spirit in which we are going to use our position as a permanent member of the Council, not to do justice, not to find a verdict according to the facts, but to say, " Is it convenient to us to take the consequences which would follow from this or that verdict ? " and to cast our vote accordingly, we shall be a weakness and not a strength to the League. We destroy the Locarno Treaty, we

destroy everything else which depends on the Covenant. If you say similarly, we reserve to ourselves the right to choose whether the emergency has arisen and we intend to judge it not on the facts but on our convenience, although you have kept the law of the Treaty you have broken the spirit. To interpret any treaty which we have signed in that way would be to destroy the value of our signature and our influence in the world.

It depends on the emphasis which you lay on the words of the provision. If you say, "As a permanent member of the Council we have a voice in the decision, but our verdict will be given as we would give it in a court of law taking into account, as you could not in an ordinary court of law, certain political considerations, and, if we are satisfied on the facts, we intend to act as we have undertaken to act," then I do not think that you will find that confidence will be lacking in the Treaty of Locarno, either in France or in Germany.

On the importance of getting American cooperation I just venture to say this to-night. Can you expect to get American cooperation for anything except an immediate case or on any other condition but this, that they reserve to themselves the same liberty of judgment that we have reserved to ourselves under the Treaty of Locarno, or that we possess as a member of the Council of the League? I think you must accept this condition in dealing with the United States where the Monroe Doctrine is so firmly established in American practice and in the minds of the people, and where the principle of neutrality is the correlative of that Monroe Doctrine. I would not ask them to pledge themselves to this or that future case.

Let me add one word about the Dominions. I have always been convinced after the Imperial Conference of 1926, which was the year after Locarno, that had it been possible to hold the Imperial Conference in London before the Treaty of Locarno, as we tried to do, instead of after it, the Dominions would at that time have signed the Treaty. But though I regret their not signing, though I deem that it is a weakness, and though at the time I hoped that they might afterwards adhere, as indeed some of them were prepared to do if His Majesty's Government in this country had thought it desirable that some should adhere and others not, I am not greatly distressed. I was talking not long ago to a distinguished overseas statesman, whose name I cannot mention, though it would be well known to you. I said, "You are an overseas statesman of wide experience. You have been at more than one Imperial Conference. You may perhaps come to others. There is something that you can do that none of us in this country can do." He said, "What is that?" I said, "You can promote closer cooperation of the Dominions with the mother country in the conduct of our foreign policy, with its natural correlative of greater control by the Dominions over that policy." He said, "I am afraid of that. If at the present time there were such a Council you would never be able to take any decision at all. We could not help you. We should hinder

you. But be sure of this, that when Great Britain is in peril we shall all be behind her."

I believe that to be a perfect truth. Many of these questions are fearful conundrums when you are regarding them in theory. The British Constitution could be riddled with criticism if you reduced it to paper as it now is. The Imperial Constitution of the Empire will, I hope, survive the effort to reduce it to paper embodied in the Statute of Westminster, but I say without hesitation that the Empire would not have survived if at an earlier stage we had written an Imperial Constitution. These things solve themselves by united action in the presence of a particular emergency, and I feel that that will be the solution of our relation with the Dominions in this question of international obligation and international action. I cannot conceive of this country under any Government sitting idly by and saying that we are not concerned with the Pacific slopes of the American Continent and that any attack on that part of Canada leaves us indifferent. I cannot conceive of any Government in this country sitting idly by and saying, " We really will not be mixed up in the South Pacific entanglements and what happens in Australia and New Zealand is no concern of ours." And I believe it to be equally impossible for a Dominion Government if the case arises to say, " Here is Great Britain engaged in a life-and-death struggle and we are going to say we have no part in it." I feel these questions will solve themselves.

I come back to the point on which I agree with Sir Edward Grigg, that it is really by these mutual and local undertakings that you can best strengthen the fabric of peace at this moment. If you strengthen the Treaty of Locarno by accepting a mutual guarantee, which I would accept, that, as has been pointed out, would raise a question with regard to Italy. Personally I was not concerned to secure a mutual guarantee. I considered that in giving our guarantee to France with regard to her eastern frontier and to Germany with regard to her western frontier, we guaranteed our own peace and our own security. But if you put it into the Treaty I think France would probably like it. It would be a satisfaction to their *amour propre* and to their pride. But I would deprecate carrying the theory of the equality of status, whether applying to Germany or any other country, too far. Sir Edward Grigg says that the maintenance of the demilitarised zone is incompatible with equality of status. Well, I do not know that it need be. Other territories have been held in sovereignty while subject to certain servitudes. One may think that this one arose out of history and is the best preventive of the repetition of evils which history has seen. It may be that an extension of it to other frontiers would greatly help the cause of peace there. But there must be some limit. It is one of the difficulties of dealing with Germany that no concession, no bargain with her is ever complete. Are you prepared to admit equality of naval strength with Germany? I am not. And I do not see that we could carry this doctrine of equality of status so far as to say that in every respect we and Germany are to be alike. We do not want a German

army and we do not want them to have a British fleet, and I think it is desirable for them and for us that the demilitarised zone should be maintained.

DR. MAXWELL GARNETT said he would like to ask a question. Both Sir Austen Chamberlain and Sir Edward Grigg had said that the League of Nations needed nothing so much as an increase of strength. That it would have if governments felt that, in pursuing a League of Nations policy, they had powerful public opinion behind them. He wondered whether, when the French Ministers came to London later in the week, the British Government would be able to say that they had British public opinion behind them in declaring, more precisely than they had yet done, British readiness to guarantee European peace. He asked if Sir Edward Grigg did not agree that it would be a very good thing to let the French Ministers understand that the British people were realising more and more that British interests were apt to be injured by aggression anywhere in the world; that the security of British territory and trade routes could only be assured by collective defence against aggression; and that, for both these reasons, Britain had of late become much more ready to join with the rest of the world in preventing aggression.

He also wondered, in connection with Sir Edward Grigg's remarks about the United States of America and unilateral pacts, whether the readiness of America to consult with the League in the event of aggression and to abstain from interfering with action taken under regional security pacts or under the Covenant for restraining an aggressor, might not be regarded as part of a world-wide collective system ready, if need be, to support the parties to regional security pacts so as to make it impossible for aggression to succeed and extremely unlikely for it to be attempted.

PROFESSOR WEBSTER said that he regretted that Sir Edward's experience of conferences during the last fifteen years had not included a Council and Assembly at Geneva. Had Mr. Lloyd George, when the latter was Prime Minister, paid a visit to Geneva, Sir Edward would have had practical experience of the working of the League. Unilateral decisions as suggested by Sir Edward seemed to him to reduce the conference system to a nullity. He thought that the reason why Locarno was the greatest of the post-War Treaties was because it brought Germany into the League of Nations. It was not so much because of its guarantees that it was important, as because it brought a new member to the Council table and inaugurated a great period of League construction when France and Germany and Britain worked together to make the League a reality. Britain had added but little to its commitments under the Covenant and Sir Austen Chamberlain had accomplished his great work with a surprising economy. If anything was to be done to amend the Locarno Treaty he thought the main object should be to find some way by which Germany could again come into the League.

With regard to the point that it would have been better if Locarno

had given guarantees to Great Britain as well as to France and Germany, he agreed that it would have made a better impression on the Continent and that the psychological effect of Locarno was reduced because we gave everything and received nothing.

In the third place he pointed out that the Locarno agreements concerned the east of Europe as much as the west. Very great changes had taken place in the diplomatic situation in the east of Europe, and for that reason he thought it was necessary to reconstruct the whole of the network with which the Locarno agreements were connected. The agreements relating to the Rhine could not have been brought into being unless other agreements had been linked up with them. It was impossible to separate the east from the west of Europe. The French would always think of what was going to happen on the other side of Germany. He did not entirely agree with the conclusions about bringing in the Dominions. He thought that the French especially neglected the enormous advantage they had in bringing the Dominions to Geneva and that there had been a great alteration in Dominion opinion with regard to sanctions.

MR. J. NISSIM referred to Sir Edward Grigg's suggestion that the provisions relating to the demilitarised zone implied some want of equality in the position of Germany. If that was so it was a very vital criticism of the Treaty of Locarno. They had had an exposition of the principles underlying that Treaty from one of the makers of it and he appeared to think that it was necessary to draw the line somewhere. He would like to reinforce that argument by analogies The fact that a line was drawn somewhere within a frontier was not incompatible with sovereignty. On the North-West frontier of India a line had been drawn many decades ago between Afghanistan and India, where neither party could claim sovereignty so far as the bringing of troops was concerned, and he claimed that that had worked well. Before the War, Belgium in the language of to-day might be described as a demilitarised zone. Again, the fact that the frontier between the United States of America and Canada was practically if not theoretically demilitarised was not any detraction from the sovereignty of the United States of America or of the Dominion of Canada. No sovereign power that desired not to menace its neighbours had any need to have troops on its frontiers. Troops were certainly necessary for protection and defence, but they might well be inside the frontier.

ADMIRAL DRURY-LOWE said that the question of sanctions always arose in those discussions. In the case of Locarno, Germany asked what was the interpretation of Article 16 of the Covenant and was told that each State member of the League was bound to cooperate loyally and effectively (*a*) in support of the Covenant, and (*b*) in resisting any act of aggression. Whilst he agreed it was unlikely that any nation would take up the latter obligation without considering to what extent she was directly interested, he wished specially to emphasise the importance of the obligation "to support the Covenant." There

was such a thing as the "sanctity of treaties," and he could not help thinking in that connection of the Far Eastern question. By far the worst thing about the Manchurian affair was the way in which the sanctity of treaties was ignored. In the invasion of Belgium one Treaty was treated as a scrap of waste-paper; in the invasion of Manchuria three Treaties were treated as scraps of paper. He thought it was as important to remember the duty of members of the League to support the principle of the sanctity of treaties as it was to consider to what extent an act of aggression affected their interests.

MR. H. WICKHAM STEED said that there was one point of view which he would like to put forward in view of Sir Austen's interesting and important words about the Locarno Treaty. They could look back to the origin of the Locarno Treaty, and the farther they looked back the clearer would be their view. Locarno came indirectly out of the decision of the British Government not to uphold for its own account the Anglo-American treaty or convention of guarantee to France signed on June 28th, 1919. The United States having gone back on it we went back on it.

SIR AUSTEN CHAMBERLAIN: I think it is only fair to the British Government to say that the Treaty was signed and the guarantee undertaken only subject to its being undertaken by both sides. We did not go back on our signature.

MR. WICKHAM STEED: We were legally released from it by the defection of the United States, but we did not uphold it on our own account. We did not go back on our signature. But, as the result of what happened, the French were under the impression that they had paid for something they had not received, the payment being their decision not to annex German territory on the left bank of the Rhine. As Sir Edward Grigg knows, an offer was made to France in January 1922 at the Cannes Conference in substitution for that Anglo-American guarantee. It may be that conditions were such that the French Ministers did not wish to accept, but the offer was made and the Italian objection to it was waived aside in an important memorandum in which the position of Great Britain in offering this guarantee to France was clearly defined.

In 1923 an attempt was made at Geneva to establish a Treaty of Mutual Assistance with which Lord Robert Cecil was concerned, but that draft treaty was negatived by the Labour Government of 1924. Then we come to the Dawes Settlement in London in August 1924, and to the attempt to obtain a fuller basis for security against war that was made in the Geneva Protocol for the peaceful settlement of international disputes. But the Labour Government which had helped to work out this Protocol was overthrown and the Conservative Government declined to ratify it. While all this was happening a feeling was growing up in Great Britain that something ought to be done; and at least the Geneva Protocol had this effect (which appears quite clearly

from Dr. Stresemann's Memoirs), that out of it came the idea that there should be a Western Security Pact, and I believe that Sir Austen Chamberlain was the first statesman to be approached by Germany. He referred the German proposal to France. From this came the negotiations for the Western Security Pact which led to the Locarno Treaty.

What was the distinguishing feature of the Locarno Treaty as compared with previous guarantees of peace? It was the introduction, on my interpretation of it, of a localised police principle. We undertook, in the case of flagrant aggression, to go to the help of the party against whom the aggression was aimed, to act if necessary without a decision of the League Council. We ranged ourselves as a police force against the defaulter. We declined to be neutral. We signed away our neutrality in case of flagrant aggression. That brings me to the point of the organisation of non-neutrality. The effect of Locarno was very great in the United States, and for this we have the opinion of so critical a mind as that of Mr. Frank Simonds, that feeling in the United States surged towards the League. And had it not been for the hitch as to the admission of Germany in the Special Assembly convened in March 1926 it is probable that the United States would then have joined the League. Afterwards there was a set-back. Presently the United States came to feel that something ought to be done for the organisation of peace throughout the world, and out of this came the idea of the Kellogg proposals which led to the Briand-Kellogg Pact of August 27th, 1928. President Coolidge sent me a personal message in June 1928 that, in his view, the Briand-Kellogg Pact would be the constitutional way of making sure the United States would not be neutral in the event of a violation of the Pact.

I hope that American opinion may be flowing again in that direction to-day, and I agree that if the United States can be brought to define their view of neutrality, and if our view of neutrality and theirs coincide, even though they cannot be regarded as identical, we shall have gone a long way forward to the establishment of the police principle which is the only sound basis for the organisation of peace. It is because Locarno was the first step in the application of this principle that it is so important.

SIR EDWARD GRIGG: I have one or two questions to answer but on the whole surprisingly little criticism or disagreement to contend with.

Let me in the first place thank Sir Austen for his most interesting speech and apologise very sincerely to him for misnaming the Locarno Treaty by so improper a title as the Locarno Pact. There is a whole bundle of Locarno Treaties and I thought it had become a matter of usage that the Treaty of Mutual Assistance should be referred to as the Locarno Pact, because it took the place of the original Guarantee Pact.

Dr. Garnett asked me two interesting questions. The first was whether I thought that our Government ought to give an assurance to the French Ministers when they come here next week that public

opinion in this country is prepared to go much further than in the past towards guaranteeing security in Europe. I certainly think they should; and I should like to make a little clearer a point on which I think there was some misunderstanding as to what I meant, in what Sir Austen Chamberlain said. He spoke about living up to the spirit as well as to the letter of our undertaking in the Locarno Treaty. I agree. I do not like statements such as some of our Ministers have at times made which suggest a minimising of our obligations under the Locarno Treaty. I am against anything of that kind. My objection to the form of Article 4 is the precise opposite, that we may feel that the spirit of the Treaty calls for immediate action on our part, that we may feel that we ought to be acting at once, and that this reference to the Council may impose delay and may make action impossible, as happened in the case of Manchukuo. All sorts of difficulties were encountered by the Council of the League in that case, and for months a decision was not arrived at. That is why I should be glad to see ourselves accepting the individual obligation of acting up to our commitments under the Treaty and under the Covenant. Always now there is going to be the fear that reference to the Council will involve delay, and also that some power or other will find means to prevent action being taken in time.

The other question which I was asked by Dr. Garnett was whether it would not be desirable to try to get the United States to accept the position of non-neutrality to which Mr. Wickham Steed referred in case of a breach of the Locarno Treaty. My own view is that if you can secure consultation in the event of a breach of the Briand–Kellogg Pact you will have done very well and may rest content with that.

Mr. Wickham Steed referred to the negotiations at Cannes about a new guarantee pact. What he says is accurate. A pact was offered to France in the original form, but it was rejected by the French Government, mainly, I think, because M. Poincaré, who had succeeded M. Briand, had his heart set on marching into the Ruhr. What he said about the origin of the Briand–Kellogg Pact is very encouraging from the point of view of the feeling that is growing up in the United States. It is suggested that the United States may take a definite decision on the principle of non-neutrality. I agree that this is very essential as a world framework for a system of local pacts, and that such pacts would be more effective in a world-wide framework.

Mr. Nissim asked me a question about the demilitarised zone. No one denies, as Sir Austen insists, that in the case of Germany you must stop somewhere. But I am not sure, as a matter of fact, that we are on very good ground in the case of the demilitarised zone. Sir Austen's special reason for insisting on a demilitarised zone implies that Germany is a Power not to be trusted by her neighbours, and you cannot expect the Germans to like that. If there were a demilitarised zone on both sides the objection would be removed. Professor Webster lamented that I had not been to Geneva. I can reassure him on that point. I do not remember whether Mr. Lloyd George ever went there when I was

his private secretary, but I certainly went there more than once myself. I think he was inclined to misunderstand my point about accepting the judgment of the Council. It is not that I want to wriggle out of our obligations. I think, on the contrary, that our support would be more effective if we said that we were prepared to give it on our own initiative without waiting for other people's endorsement, and without shifting responsibility on to other powers who may not take the same view.

Finally, the point was raised that the Dominions might be trusted to support us in any case where our security was really imperilled. I have no doubt whatever about that. But I do not think that that quite meets the difficulty that I had in mind. The difficulty may arise from doubt in the Dominions as to whether in a particular case our security is in peril. They may feel, " Here you are intervening in a European quarrel. If you were really in danger we would come along at once. But why this? " That happened once in connection with a Treaty to which they were a party, I mean the Treaty of Peace with Turkey, and I do not think that that ought to be forgotten. That was a definite experience of the Dominions refusing to act with us. Perhaps if they had been consulted in a more tactful manner they would not have refused. I have absolutely no belief in an Imperial Council at the present time. It would in my opinion do nothing but harm. But I think it is very important to make sure that thought in the Dominions and in this country moves more or less on the same lines. There is a danger of divergence in their way of thinking from ours, and it is for this reason that I would like to have their formal acceptance of obligations of this kind, even if the acceptance were purely formal, the question whether they should participate being entirely a matter for themselves at the time. I hope that it may be possible to get their actual endorsement of the Locarno Treaty of Mutual Guarantee and I should certainly spare no effort to get that endorsement at the next Imperial Conference.

# INDIAN CONSTITUTIONAL REFORM[1]

BY THE RT. HON. THE VISCOUNT HALIFAX,
K.G., G.C.S.I., G.C.I.E.

I AM extremely sensible of the honour that you have done me by asking me to address you on this subject this evening, but I am also extremely sensible of the responsibility. I shall try, so far as I may, to confine myself to the task of endeavouring to furnish you with an exposition of the main lines and implications of the Joint Select Committee's report,[2] as far as I can, without obtruding opinions of my own, and, indeed, it would be quite improper to do so because the purpose of this meeting is not controversy, but is rather to examine as dispassionately as we may the issues which are surely as great as any we have ever been called upon to consider.

I must pay a tribute to the Committee itself, of which I had the honour to be a member. I have served on a good many Committees, as have others here, but I do not think I have ever served on any Committee that applied itself so exhaustively and unremittingly to its task or which more honestly sought to appreciate and appraise the various points of view which those who came before it could claim to represent. I do not think that consciously we left any part of the problem unexamined that we felt we could usefully examine, and, over a long period of something like eighteen months, we did our best to discharge the responsibility which the Houses of Parliament had laid upon us. I can truthfully say also that the main report of the Committee, representing the middle opinion as between the more extreme opinion of the Right or of the Left, was not in any way insensible to any of the arguments or the points of view thrust upon the Committee either from the Right or the Left in the course of our discussions.

I assume, as I am entitled, I think, to assume, that those here present are well informed of the contents of the White Paper[3]

[1] An address given at Chatham House on December 4th, 1934, Major-General Sir Neill Malcolm, K.C.B., D.S.O., in the Chair.

[2] *Joint Committee on Indian Constitutional Reform* [Session 1933–34]. Vol. I, Part I, Report; Part II, Proceedings. Vol. II, Records. (London: H.M. Stationery Office. Cr. 8vo. xxii + 427 pp.; x + 655 pp.; vi + 469 pp. 1*s*., 1*s*. 6*d*., 7*s*. 6*d*.)

[3] Proposal for Indian Constitutional Reform. *Cmd*. 4268. March 1933.

which the Committee were instructed to consider and which now, of course, has rather passed on to the top shelves of the library, to be replaced by the Report of the Committee, with which I have no doubt this gathering is also familiar.

One other word of introduction. I do not propose to discuss the question of Burma. The Committee has recommended the separation of Burma and, *mutatis mutandis*, many of the same considerations in the case of India affect also the case of Burma, so I will not complicate my remarks by attempting to deal with Burma to-night.

The general attitude of the Committee to the question was that they recognised the immensity of the problem with which they had to deal—350 million people, the vast geographical area. They recognised what a unique mosaic of humanity India is—the States and British India, caste divisions and the like. They also recognised—and here I think I can speak for them all—the reality of the problem. There was no disposition, whether on the extreme Right or any other side, to under-rate the reality of the problem that was posed to the British people by the political aspirations of India. I shall not attempt to-night to trace the history of those aspirations, but would ask you to accept it as a fact that the Committee as a whole realised that that did constitute the problem. They recognised, in short, that the aspirations had been created by the fact that British rule had established order in India; had established—perhaps its greatest achievement—a single unity over British India and had thereby created conditions in which Indians were free to set their minds to work upon political and constitutional questions along the lines inevitably dictated by all the contacts long established with our thought and with our practice.

They also recognised that the politically-minded class in India was a small one, but, while recognising that, they were not blind to the fact that it was—as it seemed to them—great unwisdom to attempt to base conclusions, constitutional and political conclusions, upon the standard of the more numerous but less instructed masses, ignoring the degree to which those less instructed masses could be influenced and guided and agitated by the political minority; and they used words in their Report emphasising the degree to which they believed that where British policy had been successful in handling similar problems it had been successful by reason of the recognition it had given to the influence exercised by the politically-minded minority.

They began with the question of the Provinces—provincial autonomy on principles accepted by everybody in the main, but a matter, we ventured to think, in regard to which there had been not a little loose thinking. It had not always been appreciated, here or in India, what an immense business provincial autonomy in itself is. It means, for example, that the Province of Madras, comparable in size and in population with Great Britain, should have a sphere clearly marked off in which the provincial government of Madras would be free from external control. That in itself—and this is only an example of what is the case with all other Provinces—is a big thing. That kind of consideration was reinforced by the extent and by the reality of the subject-matter which would fall within the sphere of that provincial government; that provincial government, remember, is to be dependent on a legislature which, in its turn, is to be elected on a direct vote by franchise, representing something like 14 per cent. of the provincial population, and that provincial government is to deal with all the matters, or nearly all the matters, that affect the daily life of the masses living within the province—agriculture, roads, local government, health, cooperative credit, and so on, and provincial taxation, including land revenue. All those subjects are to be controlled by responsible ministers in the Province, subject, of course, to emergency powers, on which I will say a word or two later.

The Committee also came to the clear conclusion, which is, of course, one of the main points of the controversy to-day, that law and order must also be included in the transfer to responsible ministers. They used words which I need not explain on that point. They said:

> "We find ourselves unable to conceive a government to which the quality of responsibility could be attributed, if it had no responsibility for public order." [1]

I think the kind of argument which weighed with them was—How can you expect a provincial minister, who may be anxious to deal with social reform or anything of the kind, to deal with it with real responsibility if it be a subject on which there is likely to be great popular feeling, unless he knows that he and his colleagues are going to be responsible for order? That was the argument which weighed very largely with the Committee, but the Committee were not at all blind to the risks of transfer which had been not infrequently put to them and they did their best to meet them.

[1] Report of the Joint Committee, Vol I, Part I, p. 50.

They recognised, as we must all recognise, that law and order, to use the compendious phrase, must always depend primarily and essentially upon the morale of the police force, and that morale will, in turn, depend upon its discipline, and the efficiency and impartiality of its administration. They, therefore, made certain recommendations to ensure that the minister in charge of the police should, in his own interests, be protected from improper political pressure in the direction of interference with the internal administration of the police. To this end they recommended that the Police Acts, and any of the rules made under them which in the Governor's opinion relate to or affect the organisation or discipline of the police, should not be alterable without the previous consent of the Governor given in his discretion. They also made provision that the Governor should have adequate means of securing information as to what was going on. The importance of that in the Committee's mind was this. They did not think that the danger in this sphere—if danger there was—would arise so much upon the actual day when there might be disorder and the police had to function. What they were principally anxious about was whether, through lack of experience or any other cause, the instrument of police might be allowed to rust in times of equilibrium and tranquillity, so that when the emergency arose it would not be as efficient as the minister would have wished. It was, therefore, desirable that the Governor should have means of information enabling him, if he thought the process of rust was beginning, to say to the responsible minister, as a colleague and an adviser—" Look here, I think that the police are not being as well maintained as they ought to be and we shall be in trouble later if we do not alter it "—and in most cases the minister would be extremely grateful to have had that advice offered to him.

The Committee also dealt in some detail with the provision that they considered necessary with regard to terrorism or other subversive activities within the Province. They did so, as you will remember, by making two recommendations. Firstly, they laid it down that the Governor should be specifically required in his Instrument of Instructions to give directions that no records relating to intelligence affecting terrorism should be disclosed to anyone other than such persons in the police force as the Inspector-General might direct and such other public officers as the Governor himself might direct. They made this recommendation in order to ensure that the sources of such information should be kept in India, as in Great Britain, entirely confidential, even from ministers, so that there should be no risk that such intelli-

gence would cease to come in owing to fear on the part of those who supply it that their identity might be disclosed. Secondly, they made the recommendation, which is important and in no sense contradictory to the White Paper, that the Governor should be invested with a special right, if he thought necessary to combat terrorism, to take over any branch of the Government which he thought requisite, in addition to the ordinary special responsibilities laid upon him by the White Paper proposals.

That, I think, is the sketch of the way the Committee viewed the provincial problem, and they were concerned in their provisions in regard to the police, not indeed to interfere with the working of responsibility, but to ensure that that responsibility should have a fair and secure field in which to function.

That brings me to the great question to which the Committee had to address their minds—the question of Federation and responsibility at the Centre. I think it is true that at this point the Committee were impressed with the necessity which we all desire—Indian or British, of all shades of political opinion. We all desire to see made a reality the necessity for strong Central Government. But while impressed with that the Committee were also impressed with the weaknesses of the present Central Government. They could not but be struck by the fact that at the present moment in India you have these two things side by side. You have on the one side an irresponsible government with no working connection with the legislature, yet bound to discuss its policies day in and day out with an Assembly, without any certainty of support in that Assembly. On the other side you have a legislature with no constitutional responsibility, with the certainty that it can never be called upon to implement any political action, any political opinions or votes it may give; it is, therefore, inevitably irresponsible in criticism. Those were the two facts which seemed to breed the weakness of the present structure at the Centre, and if I may interject an opinion of my own, I think the Committee judged wisely.

They were also struck by the thing which everyone here who knows India realises—how closely British India and the States are economically interlocked—questions of tariff, questions of customs, administration affecting the maritime States, questions of excise arising in British India. The economic interlock between the States and British India is immediate and is becoming year by year more and more embarrassing.

They were also greatly impressed by the problem of what would be the right thing to do with British India, having regard

to these considerations, if the States were completely out of the picture, and I do not think the Committee ever formulated to themselves any satisfactory answer to that problem. They were impressed, as indeed I noticed a few days ago the Chairman of the Statutory Commission was impressed, by the expressed readiness of the States to federate on terms and subject to conditions to which I will refer later; and they were impressed by the anxiety felt that if this opportunity of creating a Federation for All-India were lost, that opportunity might not recur. They felt that perhaps the greatest achievement of British rule in India had been the fact that we had established a central unity, and they were very conscious of the possibility of centrifugal tendencies in the Provinces which might be dangerous unless they could be knit together by some central, organised structure. At that point, if those general arguments for federation seemed to the Committee sound, as I think they did, they were then faced by the fact that the Princes, the States, had made it plain that they would not join in a federation unless that federation was on the basis of responsibility, and I think that the reason for that is not far to seek. The reasons for the Princes' desire to adhere to the Federation may be variously described, but these two at least were quite clearly in their minds. One was that, watching as they have to watch the march of development in British India, they were alive to the possible wisdom on their part of securing, while the times suggested the possibility of doing so, that in their internal affairs they should not be liable to interference on the part of British India, and that they should, on the other hand, be empowered to take part, on the basis of responsibility, in affairs that were definitely all Indian. I think another reason was that the Princes and the States have been quite definitely anxious to have their share in the control of Indian customs policy, which is at present determined by the central government of India, in which they have no voice, and which has latterly involved, as they think, their States and their subjects in the consequences of protection and of customs duties designed in the interests of British India, which are not always in harmony with those of the States.

In addition to all these arguments for responsibility at the Centre, the Committee also felt a certain incompatibility—I do not put it higher—between autonomous Provinces and an irresponsible Centre. They visualised, under conditions of things to which we must look forward, the partial dependence of the Provinces for finance upon the Centre, and they did not con-

template with any equanimity a system by which you woul have eleven autonomous, responsibly-governed Provinces sur mounted by an irresponsible Centre. It would distract th Provinces from their own functions and would make the whol business difficult to work. From this point of view they cam to the conclusion that it was essential to link the Centre to th Provinces by some machinery and by some process of electio different from the direct election proposed by the White Paper.

They recognised all the anomalies that have been charge against the proposals for federation. I will not go into them i detail; they are well set out and with great force in what I ma call the Minority Report by Lord Salisbury.[1] But the majorit of the Committee felt that if you permitted these anomalies t have decisive force it would mean you would turn your back o any federation now or in the future, and that they were no prepared to do. They thought on the whole that common-sens and reasonable working would be able to find adjustments fo these admitted anomalies.

They were not less concerned to make it plain that the transfe of responsibility for defence was at present, and for some time t come, not practical politics. It was inconceivable that th British army serving in India should be removed from the contro of the British Parliament. They felt not less strongly that th foreign policy of India, intimately connected as it is with th defence and international relations of Great Britain, must als be a responsibility of the Governor-General himself, subject, o course, to the control of H.M. Secretary of State. Therefore with responsibility at the Centre on the one side, with reservatio of defence and foreign policy on the other, it was evident that th Committee were recommending a structure at the Centre whicl is, in some form, dyarchy, and the Committee fully realised that They thought that experience had shown that dyarchy worked wel or ill according to circumstances, and the Committee felt they hac grounds for believing in the circumstances they contemplated that dyarchy in the Centre would not work ill. They looked at the Constitution of the Lower Federal House and they saw that of a house of 375 members, one-third, that is 125, would be members of the Indian States, and while it would be quite untrue to argue that on all points representatives of the States would see eye to eye with British opinion, yet the Committee felt a tolerable certainty that the representatives sent up to Delhi by the Princes would be always, by the nature of things, alive to the paramount

[1] Report of the Joint Committee, Vol. I, Part II, pp. 289–301.

importance, firstly, of firm and stable government, secondly, of defence and, thirdly, of the essential necessity of preserving the Imperial connection. Those three things—order, defence, the Imperial connection—were matters in which, by all their tradition and all their history, the Committee felt that the States were wholly and entirely to be relied upon and I have no doubt that that influenced their judgment on the question.

Further, passing from the States' representatives, the total Assembly being 375, and 125 of them being from the States, there remain 250 representatives of British India, and of that 250 something like just over 100 represent minorities and almost another 20 represent commerce, industry and the land. The Committee, therefore, felt that nearly half the British Indian seats would be filled by members whose interests would, with the States, lie in stability and moderation of policy. Therefore, putting those two things together—the States firm on the cardinal hinges of British Indian Imperial policy, the proportion of British Indian seats which could be counted on for sanity and moderation of policy—I think that the most apprehensive members of the Committee felt that the conditions were fairly set in the central representation for the sanity and moderation which they desired to see. Therefore, they were not unduly alarmed by the prospect of the difficulties of working from a Centre composed of a responsible ministry on the one side and of a Governor-General with his own responsibility on the other. They visualised those two sides of Government on the whole working reasonably together and working in very close touch with each other, particularly in the financial sphere.

Perhaps you would allow me to illustrate how they saw it working in what will undoubtedly be the most difficult sphere of all—the sphere of defence. It is constantly said outside, How can you seriously suppose that the Governor-General will find it easy to get his financial provision for defence out of a purse which he has to share with responsible ministers who will perhaps, because defence is a reserved subject, be tempted to underestimate the necessity for defence? It was quite clear that the line between responsibility of the Governor-General in the field of defence and the line of responsibility of ministers must not be blurred, but, that being so, I cannot conceive any Governor-General who would not be anxious, working in such a system as this, to take his ministers into as close consultation and confidence with himself as he and they might be able and willing to devise. I look back to the system in operation at present, under

which I and everyone else who has been there has had to work, and I have no hesitation in saying that the Viceroy under this new system would not find it more difficult but easier to get the requisite defence provision than he does to-day. In the present non-responsible government, the Commander-in-Chief and the Finance Minister may have their battles before the question comes to the Viceroy. Eventually, if they are unable to reach agreement, the matter comes to the Viceroy; perhaps the Commander-in-Chief may want 50 crores and the Finance Minister can only find 40. I assume that eventually some reasonable compromise is found, but that is only the beginning. The matter then goes to the Assembly and at some point the Assembly say they are going to reject the demand; then the Viceroy may try his gifts of persuasion on the Party leaders in the Assembly, and they may say, "We quite understand your position, but we have our Party obligation," and so on. The upshot has sometimes been that the Assembly have voted against the demand, it has then had to be certified by the Governor-General, and so, finally, the money is obtained. In future, however, the Governor-General is going to be working, day in and day out, with responsible ministers controlling the responsible majority in the Assembly. He will be in daily cooperation with ministers, advising them over the whole field of their responsibilities, and a great measure of confidence and cooperation will be established between any human and sensible Governor-General and sensible responsible Indians—and there are a great many of them—and I have not the smallest doubt that, when the Governor-General says to his ministers, "I know you want a lot more money for other purposes, but this is the money, as you will see, that we must have for our defence," that he will be able to convince them of the wisdom and justice of the plan he is putting up and they will be able to convince their followers in the Assembly, and the business, in nine cases out of ten, will be far easier than to-day; and in the cases where it is not easier the Governor-General is no worse off than to-day, but has full statutory authority to get all the provision he deems necessary for the defence forces.

I do not know whether I ought to say anything about finance beyond this, that I am quite sure that all the members of the Committee have read with extreme astonishment from time to time the calculations that have been made outside as to the immensely aggravated expenditure involved in the establishment of provincial autonomy and central federation. Our researches led us to find that the cost of provincial autonomy, on which there

is very little dispute in Great Britain, would be something like two and a half to three million pounds sterling and that the additional cost of federation at the Centre would be something like half a million pounds sterling. Those figures, from the point of view of high policy, are not overwhelming. Many of you, no doubt, have had to deal with financial estimates of officials. I always add fifty per cent. to the estimate that any official gives me. Even if we add fifty per cent. to the estimates of the cost of the outfit actually required, it ought not to be regarded as excessive. The Committee studied the figures with care and suggested that when the time came for the final decision as to the introduction of the new constitution, His Majesty's Government should lay before Parliament a considered report on what the actual financial position of India, as at that date, was.

I must say a word now on one or two rather unattached subjects. The first is indirect election. The arguments against direct election will be sufficiently present to the minds of all here. Those arguments impressed the Committee. They realised that the difficulties would be greatly increased as the franchise was extended. They also were very anxious to forge a link, if they could, between the Provincial Legislatures and the Centre and they thought that it would be forged, in part at least, if they could find a system by which the Provinces, concerned with practical and urgent day-to-day problems, might choose men who, though dealing with the remoter problems of the Federal Centre, would be thoroughly alive to and familiar with the provincial problems with which the Provincial Councils that had elected them were dealing. Speaking as a member of His Majesty's Government, I must confess that it was with some misgiving that I—and I think also the Secretary of State—accepted the conclusion of the Committee on that point. I think that the arguments that impressed the Secretary of State were these : first of all that this was a point on which there was a great case for further experience, and that if we plumped now for direct election we could never change over to indirect, but that if we recommended indirect election now, we could change over later on if we or if India wished to have direct election; and secondly, that this was a matter on which Indian opinion would inevitably make itself heard and on which Indian opinion would have great weight with the Imperial Parliament.

The second subject I want to mention is "safeguards." The Committee, as they say in their Report, thought that "safeguard"

was a very unfortunate word, but that it was too late to suggest a better one. They felt that it was unfortunate because, to English minds, it seems to imply a rather regrettable and despairing rearguard action, while to Indian minds it appears to imply misgiving and mistrust of their powers of administration. Neither of these senses was that in which the Committee conceived of them. They, I think, conceived of them as emergency powers enabling Great Britain, as a partner in a great common enterprise, to intervene if necessary in circumstances and for purposes which by experience and tradition Great Britain was in the best position to serve. An obvious example of that is the protection of minorities. I do not think that any Indian I have ever met would object to power being lodged in some impartial third party to be exercised if necessary for the protection of minorities. I should not myself feel the smallest difficulty in stepping on to any platform in this country or in India and arguing that all the other emergency powers—safeguards so called—that are inserted in our Report were demonstrably in the interests of India herself. Obviously that is true of defence, of financial credit, of efficient public services, and of peace and tranquillity. I can imagine Indian critics saying that the protection against penal tariffs was a safeguard inserted for the advantage of the British business man exporting to India, and of course I do not deny that it clearly is for his protection; but the fact that this is so does not in the least diminish the force of the argument that an attempt on the part of India to apply penal tariffs for political purposes to British trade would have the most deleterious effect upon the investment of capital and the development of India, which above all things she most sorely needs. And accepting the general doctrine of partnership which is fundamental in all that we are trying to do, it would be a great injury to India if penal tariffs were deliberately set up against the partner on whom, for the present, India must depend for the safety of her frontiers and, in the last resort, for internal order.

The Committee were concerned to satisfy themselves that these emergency powers would, in fact, work. For that reason they gave some attention to the securing of the services—the administrative machine—in their just rights and freedom from political influence, in order that they might be able and ready to carry out whatever duties might come to them, whether at the bidding of responsible ministers or, in extreme emergency cases, at the bidding of the Governor acting independently of his ministers. The Committee were also satisfied that by the recommendations

that they had made they did secure that the Governor-General and the Governors, with the knowledge of the responsible ministers, should have adequate information to enable them to fulfil their duties.

The general character of the Constitution that the Committee contemplated was evolutionary. It was to contain within itself, so far as it might, the seeds of its own growth, and I think that anybody who reads the Report will see peeping out on every page signs and symptoms of where those seeds lie hid. The Committee had greatly in their minds the example of the development of the Constitution of the Dominion of Canada, in which, as you will remember, the real development was achieved not by any Statute but by a direction in a despatch from Lord Grey, then Colonial Secretary, to Lord Elgin, instructing him to choose his ministers from the elected members of the Legislature. The Committee felt that the obligation that was placed on the Governor-General to choose his ministers from the elected members of the Legislature was bound, in India as in Canada, to be a normal process of evolution to the end that they sought to reach.

It was for that reason that they laid great stress upon the Instrument of Instructions, enjoining upon the Governor-General and the Governors the spirit of the administration that the British Parliament desired to see them pursue. It is certainly not true that full development to full responsible government would be possible merely by changes in the Instrument of Instructions. For example, the reservation of defence at the Centre will be statutory and that cannot be abolished, when the time comes, merely by an alteration in the Instrument of Instructions. Therefore some changes will need legislation. Also, as I think myself was right, the Instrument of Instructions cannot be changed without being brought to the notice of both Houses of Parliament. I do not regard that as a device to obstruct India's progress. I regard it rather as an essential condition of keeping Parliament instructed and informed as to the passage of events and the process of development that Indian political life from year to year is passing through. It is a real condition of natural growth that a great many important adjustments can be made in the Statute by resolution of both Houses without the need of any formal new Act of Parliament.

Lastly, the structure of the new Statute, as the Committee saw it and as I hope Parliament will see it when the legislation is introduced, had not a little significance. In the forefront of

the present Government of India Act stands the Secretary of State in Council; in the new proposals, the Governor-General in India is the centre of the constitutional structure. That change, you may say, is rather one of constitutional form than of actual practice, yet it does involve the shifting of the centre of legal gravity from Whitehall to Delhi. That, I think, is right, and I have no doubt that it will be in conformity with the wishes of the great majority in India, to whom we look to work this Constitution.

May I, as I conclude my observations, read you, because it is stated better than I can state it, a few sentences from the conclusion of their introduction to the Report, in which the Committee sum up what was the spirit in which they have tried to approach the various elements of this problem.

"Parliament is, indeed, confronted with grave problems, but it is also offered a great opportunity. There are moments in the history of nations when a way seems to be opened for the establishment between people and people of new relations more in harmony with the circumstances of the time, but when that way is beset by all the dangers inherent in any transfer of political power. Such moments are a sharp test of political sagacity, of the statesman's instinct for the time and manner of the change. If that instinct fails, either from rashness or from over-caution, there is small chance of recovery. In the present issue, the dangers of rashness are obvious enough. They have been urged upon us by some to whom the majestic spectacle of an Indian Empire makes so powerful an appeal that every concession appears to them almost as the betrayal of a trust; but they have been urged on us also by others whose arguments are based on the undeniable facts of the situation."

They then face the problems of defence, difference of race, and so on.

"Against all this, the dangers of over-caution are no less plain. The plea put forward by Indian public men on behalf of India is essentially a plea to be allowed the opportunity of applying principles and doctrines which England herself has taught; and all sections of public opinion in this country are agreed in principle that this plea should be admitted. No one has suggested that any retrograde step should be taken, very few that the existing state of things should be maintained unaltered. The necessity for constitutional advance, at least within the limits of the Statutory Commission's Report, may be regarded as common ground. We have given our reasons for believing that the constitutional arrangements which we recommend, including a measure of responsibility at the Centre, follow almost inevitably from these accepted premises. If this conclusion is rejected, the rejection

will be generally regarded in India as a denial of the whole plea and two consequences at least must be faced: the prospect of an All-India Federation will disappear, perhaps for ever, but certainly for many years to come, and the measure of harmony achieved in British India by the cooperative efforts of the last few years, together with that body of central opinion which we have described, will be irretrievably destroyed." [1]

*Summary of Questions and Answers.*

SIR LAURIE HAMMOND asked about the interaction of the Central and Provincial finances. What were the functions and field of activity of the Financial Adviser to the Governor-General to be? Great pressure would be put on the Finance Ministers of the Provinces, when they became autonomous, for the reduction of charges such as the water rate in agricultural Provinces, or for possibly extravagant expenditure on compulsory primary education or a campaign to shut down liquor shops, matters on which the Governor would have no veto. To what extent would the Federal Government be able to control Provincial Governments in financial matters? Might something possibly be developed on the lines of the Loan Board and Inter-State Loans Council in Australia?

The Report contained no draft of an Instrument of Accession which might be followed as a model for the accession of the Princes to the Federation. It was obvious that the form of the Instruments of Accession should so far as possible be uniform. How was that going to be arranged? On the vexed question of opium, for instance, would all the States agree to the policy which was pursued in British India?

The Report stressed the need for a really strong executive and the Governor had been armed with various powers in order to discharge his various responsibilities, but there was a danger that he would be dragged in as a subject of debate on the floor of the Legislative Assembly. Recently in one Province, when a message from the Governor had been read dealing with some expenditure on the police, contrary to the usual custom of members rising to listen to such a message from the Governor representing the Crown, a considerable proportion of the Assembly had shouted "Shame." Was there any way in which that sort of thing could be avoided?

LORD HALIFAX replied that the idea in the minds of the Committee was that the Financial Adviser would be adviser to the Governor-General, but that he would also be available for responsible Indian Finance Ministers to consult on any problem with which they might think he was better equipped to deal than they. There was no notion that he would exercise any functions of control or interference in Provincial finances.

There was no stock copy of an Instrument of Accession in the Committee's Report, but there was an expression of view in the Report

[1] Report of the Joint Committee, Vol I, Part I, pp. 25–26.

of the Third Round Table Conference, to which the Committee made reference, in the sense that States acceding to the Federation must accede in relation to the matters without which real federation could not be effective; what those matters were was considered in the Report of the Committee. The Federation at the start, for which the adhesion of States entitled to at least fifty per cent. of the seats in the Federal Upper Chamber was requisite, could not be brought into operation without a resolution of both Houses of Parliament, when no doubt the Instruments of Accession proposed would be public property. The adhesion of States after the inauguration of the Federation would be a matter for the decision of the Governor-General under the superintendence of the Secretary of State. It had been strongly impressed on the Committee that in any federation there should be no internal customs barriers, but in India there were several purely agricultural States which depended to a large extent on the customs they could levy at the entrance to their States for the carrying on of their administration. It was, therefore, not going to be possible to insist on the complete fulfilment of that condition, which on paper appeared to be essential. The Committee had dealt with the difficulty by saying that it must be the duty of those responsible to see that customs should not be unreasonable. Opium was generally accepted in the earlier Round Table Conference as being a matter on which the States would expect Federal authority to run.

The relations of the Governor with the Council would depend upon the rules made for the functioning of the Council, and the Governor would be able at his discretion, after consultation with the President, to make rules regulating procedure on matters concerning any of the special responsibilities.

MR. HENRY NEVINSON asked if the Indian Civil Service would be retained in the same form and with the same functions and if it would still be recruited by examinations held in London? One of the grievances of Indians was that it was a difficult and expensive business to go to London for training and examination.

What was to be the position of the States with regard to armaments? Would the States be allowed their own separate armies or would there be some limitation? What would be their functions in regard to the whole?

LORD HALIFAX replied that the Indian Civil Service would be retained in the same form and the rate of recruitment was to be maintained at the levels recommended by Lord Lee's Commission until further consideration, in any case for five years. The examinations in London would be continued, and also those already held in Delhi, from which part of the Indian Civil Service was recruited.

No restrictions had been suggested on the right of the States to raise what forces they wished within their own territory. The arrangement would continue by which some of the State forces were classified as for

purposes of Imperial defence and consequently inspected by Imperial Army officers.

THE DUCHESS OF ATHOLL asked if the power of the Governor would be sufficient, in view of the power of the minister to repeal existing police acts without his consent, to preserve the police from political influence. Sir Charles Stead, ex-Inspector-General in the Punjab, had said that he was glad to retire because, under the existing system, he had suffered daily persecution from people wanting to get posts in the service, and an Indian Police Minister would be far more persecuted.

Was not the Princes' expression of willingness to accept federation the result of pressure from British Indian Hindu politicians? It had been obvious from the difference in tone of Sir Tej Bahadur Sapru's speech at the First Round Table Conference and that of the Maharaj of Bikaner which followed, that Sir Tej had been pressing the others hard. Had they not named an impossible condition as the price of their approval, in saying that they would not allow the Federal Legislature to impose direct taxation on their subjects? Statements recently made by the Maharaj of Dholpur and the Maharaj of Jhalawar showed that many Princes viewed the proposals with grave disquiet.

Lord Halifax had said that the opportunity to establish a federation, if allowed to slip, might never recur. But was it not true that the Consultative Council recommended by Lord Salisbury, and earlier by the Simon Commission, was regarded in that Commission's Report as a first step towards the final goal of federation?

Should not there be added to the expenses resulting from the proposed changes the cost of the remission of tributes to the Princes, estimated at £750,000 a year, the cost of setting up a Federal Reserve Bank, estimated at about the same amount, and also the cost of the separation of Burma, estimated at about two and a half millions sterling?

LORD HALIFAX said that he had not seen the statement attributed to Sir Charles Stead by the Duchess of Atholl, but he had just read a very good speech by Sir Charles Stead expressing the strong conviction that law and order should be transferred to the Provincial Governments, so Sir Charles had evidently been thinking of something other than the withholding of the police from a responsible administration which was at the back of the Duchess of Atholl's mind. By arranging that responsible officials should have the right of access to the Governor, the Committee had provided an opportunity for the Sir Charles Stead of the future to represent, probably with the minister also present, that measures proposed by the minister in the way of repealing police acts would sap the discipline of the force, and the Governor would then say to the minister that he must either convince him that the Inspector-General was misjudging the effect of the proposals or must stop carrying them out.

With regard to pressure having been brought to bear on the Princes, his own experience led him to believe that the Princes were well able to look after their own interests and to know on which side their interests lay. It was true that their unwillingness to admit the right of the Federal Government to impose direct taxes on their subjects was one of the anomalies of the scheme, but it was not one which justified the abandonment of federation. There would be financial adjustments in various directions to try to meet the difficulty. The Princes would have to pay corporation tax. Disquiet had been expressed by some of the Princes, notably by the Jam Sahib just before his death; everyone must feel that it was an issue which should be judged with the greatest prudence and deliberation. But it was undoubtedly true that the difficulties of some of the Princes in agreeing to a scheme of federation had been aggravated by somewhat unscrupulous statements made in Great Britain.

The remission of State tributes would ultimately fall on the shoulders of the Government of India, but the £750,000 would be spread over a number of years and it would not be a very large item. The cost of the separation of Burma was not incidental to federation, as whether there was federation or not there was a strong case for carrying it out, owing to the great divergence of many of the interests of the two countries.

The Consultative Council suggested by Lord Salisbury in the minority amendment could not strictly be regarded as the same as that suggested in the Report of the Statutory Commission, as, when Sir John Simon drew up that Report, his terms of reference did not extend beyond the government of British India. He had recently made it plain that the whole situation was transformed as soon as there was a real possibility of uniting the two Indias. The demands of the Princes for a share in the responsible Federal Government of India could not be met by offering them a share in a Consultative Council.

SIR JOHN POWER asked how the funds of the Family Pensions Fund were actually invested in India and whether the recipients would suffer if they accepted the offer to have the funds transferred to Great Britain. Would there be any less security to the average individual official in receipt of a pension from India, or any alteration in the amount of the payment?

LORD HALIFAX regretted that he did not know how the funds were invested, but there was no question of pensioners suffering if the funds were brought to Great Britain, except in so far as they might deliberately choose to bring them to Great Britain, knowing they might earn a lower rate of interest, for what they might conceive to be greater security. The offer of transfer for those who wished was regarded as a fair offer by those who had studied the question. Many people would argue that the security for pensions from funds in India was as good as, for example, the security for the salary of the Viceroy.

MR. J. C. FRENCH asked what the possibility was that the proposed changes would bring into power, both in the Centre and in the Provinces, a party whose aim was complete independence for India and its separation from England, namely, the Congress Party, which was described by Lord Willingdon in 1931 as the only effective political party in India, which at an All-India session at Karachi in 1931 passed a resolution of admiration for the murderer Bhagat Singh, and which was stated in the Appendix to the Secretary of State's Note on Terrorism to be closely connected in Bengal with the terrorist secret societies?

Was it not a fact that the District Officer all over India was responsible for law and order, that he was in general control of the police, that he was censured if disturbances took place, that he saw all the confidential police documents, including those relating to terrorism and revolutionary activities, and that he ought to be taken into account in any safeguards dealing with terrorism and police? If that was the case, how was it that the name of the District Officer did not appear in the Committee's Report?

LORD HALIFAX said that the Committee were well aware that the District Officers were the lynch-pin of Indian administration and it was with that in mind that stress was laid upon the necessity of having important postings of the District Officers submitted formally to the Governor for approval and sanction.

He believed that there was less likelihood of the Congress Party coming to power in the Federal Government than in the Provincial Governments, for the reasons which he had given in the address, and had therefore been surprised that so much alarm was expressed by some people at the extension of responsible institutions to the Centre, when they were prepared to accept the greater risk of the same thing being done in the Provinces.

MR. JOSEPH NISSIM asked what the safeguards were intended to cover. Paragraph 21 of the Report referred to the safeguards going into desuetude. Did this apply to the reserved subjects, such as defence and foreign affairs, or merely to the reservations on the transferred powers? Was it intended that the Constitution was in the main to be provisional or final and decisive?

Had the Committee taken into account the huge responsibility of Parliament, not merely to the politicians of India and the State Rulers, but also to the peoples of British India and Indian India? The representatives of the States were to be free to criticise the internal affairs of British India, but not *vice versa*. Nor was there to be any Court of Criminal Appeal, which meant that there would never be any power to review criminal administration in the Indian States. Was not this departure from even the modest proposals of the White Paper a foregoing of a most useful power for setting right, where an individual's life or liberty was at stake, criminal maladministration in

*the States? It was a misstatement in the Report to say th*ɛ
*Committee of the Privy Council* was responsible in British Ind
reviewing criminal administration, because they only stepped in
there was gross miscarriage of justice. The significance of the rɩ
of the Princes to admit the Federal right of direct taxation wa
sufficiently appreciated. The corporation tax applied only to
panies, of which there were only a few. Were not the Princes seɩ
representation without submitting to be reasonably taxed, and was
fair? Might not this concession be an historic mistake, such as
committed by Lord Cornwallis in 1793 when he declared that
permanent settlement in Bengal was fixed for ever at the figure
decided upon?

LORD HALIFAX fully appreciated the seriousness of the decisiɩ
accept as members of the Federation units who were not preparɩ
accept direct taxation, but felt that it should not be an argumen
giving up Indian Federation. It was a question of which was
greater good.

With regard to the Court of Criminal Appeal reviewing the intɩ
administration of criminal justice within the States, the whole
of the Federal structure postulated a distinction between affairs
were internal to the Provinces and the States and those which
federal. The powers of paramountcy would be available to
Viceroy, under the new dispensation as under the existing régim
enforce reasonable standards of administration within the States
the powers of paramountcy must not be confused with the pɩ
that were to be allowed to the Federal Government.

Questions of defence and foreign policy would continue as resɩ
subjects until this was altered by a new Act of Parliament.
emergency powers of the Governors were in a completely diff
category and might never be used at all; it was these powers v
might fall into desuetude if they were never required, and that v
depend entirely on the good sense of Indian administrators.
existence of emergency powers in the hands of the Governor wa
best guarantee against their being required, because ministers v
be alive to the constitutional implications of their being invoked.

# RUSSIA TO-DAY AND TO-MORROW[1]

By W. H. Chamberlin

Two years ago, when I last spoke at Chatham House, Russia was in the midst of a tremendous struggle for the reorganisation of its economic and social life. To-day the issue of that struggle is somewhat clear, and one can count the gains and successes and also the human casualties that marked a process, very many features of which almost suggested civil war and brought about great changes in Russia's political, social and economic life.

Since 1928, every phase of Russian life has been dominated by the five-year plans, by the first, which ran from 1928 to 1932, and more recently by the second, which runs from 1932 to 1937. The chief features of these five-year plans, the main axis around which the life of the country has been revolving, can be summed up in the two words, industrialisation and collectivisation, the first being applied to the industrial life of the country and the second to its agriculture.

The drive for industrialisation is explained by a number of factors: in the first place by the desire of the Soviet leaders that Russia should be as independent as possible of the outside world, and secondly, by the feeling, which has become still more pronounced since the Japanese seizure of Manchuria, that the country must be in a stronger military position—and modern warfare depends very largely on industrial equipment. Ever since 1928, therefore, although there has been a little relaxation perhaps in the last two years, the Soviet economic policy has been absolutely dominated by the idea of building up and increasing as rapidly as possible the country's so-called heavy industries, machine building, iron, coal, electricity, etc., and there has also been a very strong drive to introduce into the country forms of industry which were only slightly developed or not developed at all before the War—automobile building, aviation, chemicals.

In an effort to reach this goal of industrialisation, the whole resources of the country have been mobilised very much as in war-time, and the people have been expected to tighten their belts

[1] An address given at Chatham House on November 27th, 1934, Mr. Clement Jones, C.B., in the chair.

and to put up with deprivations which would suggest a state of war. While the effort has had varying degrees of success in varying fields and while there have been set-backs as well as successes, it has undoubtedly led to a considerable expansion of the Soviet industries. I will take a few figures for some of the basic heavy industries. The coal industry increased from 35,000,000 tons to 64,000,000 tons in 1932; the oil industry from 11,600,000 to 21,040,000 tons; pig iron from 3,300,000 to 6,100,000; steel from 3,900,000 to 5,900,000, and since 1932 this growth of the so-called heavy industries has been going on. Many of the new plants, for instance, such as the Magnitogorsk Iron and Steel Works and the Novgorod Automobile Plant, have added to their production.

At the same time, there was in the five-year plan a demand for an increase in the standard of living, for an improvement in the amount of food consumed and in the amount of manufactured goods which the population would enjoy; that side of the plan has been very much less successful. In fact, it has been said rather aptly that Russia during these last years has been trying to "starve herself great," and that describes what has happened. Very great sacrifice has been demanded of the people in every-day food consumption and every-day comforts in order to push forward at the maximum rate of speed this programme of military and industrial construction.

In the so-called light industries which produce consumers' goods production decreased. The textile industry, for instance, produced less in 1932 than in 1928, and there were a good many anecdotes in Russia which illustrated this contrast between the plans for industrialisation and for pushing forward the growth of heavy industries and the actual living standards which were imposed on the population. One foreigner remarked that by the end of the five-year plan Russia would be eating roast wing of tractor; tractors were more plentiful than bread in many peasant districts in 1932–1933.

In Russia, where there is no free press, people, when they are unable to be enthusiastic about the Government's policy, find an outlet in circulating anecdotes by word of mouth—jokes, as they are called in Russia, which are spread rapidly and replaced by new ones as circumstances change—and one gets perhaps the best picture of many of the economic difficulties, and many of the economic realities, of Russian life by making a list of some of the more striking of these jokes. There is one story, which is very popular in Russia, which runs that in one of the big celebrations

on the 1st May or the 7th November, Stalin and some officials began to discuss whether the workers were really loyal to the Soviet régime and decided to call one of the workers out of the procession and to ask him to prove his loyalty by jumping off one of the towers of the Kremlin. The worker was brought to this place, and when they proposed that he should jump off, he did so and was caught in a net specially prepared, and they congratulated him on his courage and devotion. When they asked him why he jumped off the tower so willingly, he replied: "Oh, to the devil with such a life as we have been leading." I think that has a considerable element of realism, as except for those workers and others who were enthusiastic communists, those years of great industrial growth were years of great deprivation and acute decline in the general standard of living.

One way in which this was reflected was in the general spread of the rationing system which had been unknown in Russia from 1922 to 1928. As the five-year plan went into effect and as it developed from year to year, the increasing food shortage caused a very general introduction of this rationing system, and the amount of food available tended to diminish all the time until, finally, the situation was reached where on the ration card the worker simply got a fair supply of bread and a very small allotment of sugar. His main source of food supply was the so-called public dining-rooms which grew up in the factories and institutions and which provide the people who work there with one or two meals a day; and there was always the possibility of buying in the private markets, but there prices rose extremely rapidly and very much faster than the moderate increase in wages. In general, these years were years when I should say at least four-fifths of the Russian population was living as badly as the unemployed in England or America. In fact, after I made a trip to America in the winter of 1932–1933, I showed to some Russian friends a list of what the American unemployed got in the way of relief rations, and they could not believe it and said it was what a Soviet official would get and not an unskilled worker. There was certainly more variety in the rations of the American unemployed than in those of the less skilled worker in Russia in those years.

The main reason for this sharp decline in the standard of living was the decline in agricultural productivity, but there were several other causes. For instance, the Government was so anxious to increase its industrial equipment and the efficiency of its industrial plans that it insisted on exporting all available food-stuffs and selling them abroad for foreign currency which could be used to

buy turbines and steel plant, etc., and at the same time it was limiting, and almost eliminating, any imports for the same reason.

But probably the biggest factor in the food crisis which Russia experienced during these years, and which would still be regarded as a crisis in any other country, although 1933–1934 did see a definite improvement over 1931–1932, lay in the tremendous revolution which was driven through in the country's agriculture. The "collectivisation" of agriculture meant a system in which the individual peasant was completely eliminated and all farming was carried on either through a State farm directed by State managers or, more generally, through so-called collective farms in which the peasants themselves would pool their land, animals, machinery, etc., and work the land through definite State control on a collective basis. In pushing through this policy of collectivisation the Soviet Government had two main motives: first, by collectivising agriculture they would destroy the last capital class—the individual farmers; and secondly, they were convinced that with about 100 to 200 peasant families tilling an acreage of 2000, these units of land would be more productive than the small holdings of the individual peasants.

It is extremely suggestive of the attitude of the peasants towards this collectivisation, which was forced on them from above, that up to 1928, when it was a matter of choice, only 2 per cent. of the peasants entered collective farms. It was only after great pressure, including a threat of banishment of the richer peasants, that this resistance was, to some extent, broken through, and at the present time 65 per cent. have been enlisted in the collective farms, but this was by no means a voluntary process—all the resources of a powerful dictatorship were thrown into the struggle.

From 1929 until 1933 an extremely bitter struggle was going on between the Soviet Government and the peasants that imparted to Russian life at that time a very strained and bitter character. The reasons why the peasants were opposed to collectivisation were several. In the first place, it was a psychological wrench to an individual peasant, who had been used to managing his own plot of land as he wished, to be suddenly thrown into a big mass organisation in which he was uncertain who the manager might be, and where he had no independent voice in saying what he had to plant or give up to the State, and where he felt his economic freedom was lost. It was another of the bitter anecdotes at that time that the initials of the Communist Party, VKP, stood for *Vtoroe Krepostnoe Prava* (The Second Serfdom), and that was

certainly the feeling, as far as I could judge, of the great majority of the peasants, especially of the older ones. They felt, when they were pushed into these collective farms, that a new kind of serfdom was being put on them after they had destroyed the old tyranny in the revolution of 1917.

This feeling on the part of the peasant could have been overcome only if his standard of living had risen as soon as he went into the collective farm, but that could not happen, as the bill for industrialising Russia was a heavy one and had to be paid by the peasants. During the years 1928–1929 the State became an increasingly hard and ruthless exactor of grain from the peasants. At the beginning of 1928 and more intensely in 1929, the State, through the local officials, began to swoop down on the peasants, and to take by force and with the threat of exile what the peasants regarded as a disproportionate share of grain and milk, etc. They were paid in roubles which were becoming increasingly valueless, because in concentrating on industrial development the Soviet neglected the development of manufactured goods which would have been a stimulus to greater production, and the peasant found that if he got a rouble he was lucky if he could spend 35 per cent. of that rouble on manufactured goods from the city. I remember I was in a country district at a meeting where the peasants were being told by State officials how much they had to give up, and the peasants were told that for every rouble of grain they sold they could get 35 kopeks' worth of manufactured goods. Whereupon the village blacksmith got up and said that 35 kopeks for the rouble was not a fair deal; could they not give them all one shirt? The peasants felt they were cheated on the exchange for city goods.

In this struggle the peasants could not resort to their old methods of armed uprising, which they had employed against the attempt to requisition the peasants' produce during the early years of revolution in Russia, and which had had a good deal to do with the bringing in of the New Economic Policy in 1921. The peasants were now disarmed, the Red Army was strongly disciplined and there was no possibility of resisting by open armed force. There were some little disturbances in 1930 but no broad armed uprising. On the other hand, the peasants had three quite effective methods of passive resistance which reflected injury on the Soviet agriculture. They killed off their cattle in immense numbers, especially because the Government in the beginning persisted that all the cattle should pass to common ownership of the collective farmers. There was also the poor management of many of the collective farms and a considerable dying-off of cattle

for this reason. The disastrous consequences for Russian agriculture were shown in the figures which Stalin cited at the last Congress (1934). The horses, which numbered 34,000,000 in 1929, had declined to 16,600,000 in 1933; large-horned cattle had declined from 68,100,000 to 38,600,000; sheep from 147,200,000 to 50,600,000; and pigs from 20,900,000 to 12,200,000. If the country had been invaded by a hostile army there could not have been a greater decline of live-stock. As a result, a shortage of meats, fat, dairy produce has been characteristic of Russian life during the last years. Apart from the destruction of cattle the peasants in 1931 and 1932 began to neglect the fields, to collect the harvest very badly, and to leave a good deal of grain to rot—because they felt it would be taken away from them anyway and it was not worth while to work in a normal way. In the autumn of 1933 I was impressed by the forest of weeds which had grown up and choked the yield of grain in the south-eastern part of Russia, which used to be one of the granaries of the country and now presents a desolate appearance. Still a third method of passive resistance was a kind of inactivity in the work of the collective farms.

The Government, on its side, replied with increasingly ruthless measures of its own. Its first big blow was the liquidation of the *kulaks* as a class, carried out largely in the winter of 1929–1930 and in the following years; to-day I do not think any peasant who could be regarded as a *kulak* is left in his native village. In every village those peasants who were somewhat more well-to-do—usually about 4 or 5 per cent. of the total number of peasants—would be rounded up and driven from their home and deported, in some cases, to forced labour in the timber camps of the north and in other cases driven out and left to shift for themselves. This was carried out very often with great brutality—men, women and children being driven out in the winter days—and it led to many fatalities among the *kulaks*. It was, of course, effective in crushing out among the peasants any desire to be individual farmers, as they saw that the wages of successful farming were deportation and forced labour. That was the first of the Government's replies.

In 1932–1933, although the harvest was below that of 1913, the Government continued to exact from the peasants heavy collections in kind. The final result was the major catastrophe—the famine in 1933. The very existence of that famine was concealed from the outside world because, as soon as conditions had become bad in Ukraine and in North Caucasia, the Soviet Government adopted the measure of forbidding foreign correspondents to

travel until the famine was over. From March to September of 1933 it was impossible for foreign correspondents to leave Moscow and travel in the regions where the famine was prevalent. As soon as this order was relaxed I made a trip to Ukraine and North Caucasia in the autumn of 1933 to investigate and, after visiting several separate districts and after talking with the peasants, I think there is no question that during the first six months of 1933 those parts of Russia experienced a famine with a mortality of 10 per cent. in the country districts. That was the tragic climax of this struggle between the peasants and the Government. With 1933 came the beginnings of a slight turn for the better because, on the one hand, the peasants' resistance had been broken and the Government, seeing that agriculture had got into a desperate state, changed its methods and, instead of arbitrary requisitions, established a new method of fixed tax in kind based on yield per acre and, while this was heavy, it at least gave the peasants some idea of how much they had to deliver. Further, it was understood that the people who worked harder should get more from the common fund, and that the groups of peasants who worked a given piece of land in a collective farm for one year should keep that field for a number of years, which provided more incentive to individual effort. In 1933 also climatic conditions were more favourable than in 1931–1932 and the harvest was, accordingly better and, though there has been considerable suffering among the individual peasants, there has not been any repetition of the famine which occurred in the winter of 1932–1933. While Russian agriculture is still in a bad condition I think that probably the lowest point of the crisis has been passed and, if the peasants are given more conciliatory treatment, there may now be gradual recovery, though it will be years before normal conditions are restored.

This changed policy towards the peasants in 1933 was symbolic of a number of different changes and characteristics which came into the second five-year plan as compared with the first five-year plan. Whereas in the first five-year plan the whole emphasis was on quantity, building the biggest possible plants and getting the biggest physical output, the second five-year plan has put its emphasis on quality, on mastering the operation of these new factories which have been built. Although there were new factories with modern Western equipment, there was inefficient operation, breakage of machinery with shortage of skilled workers; but now it is not so much the aim to get fantastic figures of

quantity as a better quality of output. Another characteristic of the second five-year plan, in contrast to the first, is that the second plan aims at completing a great many undertakings begun in the first and not finished. This recalls an anecdote to the effect that what Russia needed after the first five-year plan was three Tsars—Peter the Great to complete the unfinished building of the five years, Alexander I to free the serfs, and Nicholas II to grow enough grain to last for ten years.

Another feature of the second plan is the push to the East in the country's development, *e.g.*, new investments of industry are being concentrated in Siberia. Whereas Russia's developments before were largely directed southwards and concentrated in the mineral regions of Ukraine and North Caucasus, to-day the trend is eastwards. For this there are two reasons—political and economic. Politically, the Soviet Government is afraid of Japanese aggression in the Far East and is anxious to build up Siberia and Eastern Russia against possible attack from that quarter, and to build up industries of military significance; and economically, Siberia and other parts of Eastern Russia are less developed than European Russia and, therefore, there are still untapped resources there that naturally attract development.

Again, the second five-year plan emphasises the need for improving the transportation of the country. During the first plan, one of the great difficulties and the cause of set-backs was that railway transport failed to meet the demands of growing industrialisation. There is to be an effort to remedy this by building rolling stock and by bringing transportation into line with the economic life of the country. It usually happens in Russia that when there is a shift in the economic policy there is apt to be a shift also in the character of the general life of the people. The years 1921–1928 in retrospect seem mild and easy in contrast with the disastrous years of 1928–1932, when the peasants were suffering, and the city classes also, especially the intelligentsia, were being very much persecuted and were very likely to be arrested and punished without trial by the formidable Ogpu. There are several anecdotes bearing on this. One of them is that a man says he has three sons; one is an engineer, one is an agricultural specialist, and the third is "also in prison." Another anecdote represents a tremendous migration of rabbits from the Soviet Union to Poland; the Polish officials ask the rabbits why they have come and the rabbits say, "The G.P.U. has ordered the arrest of all the camels in Russia." "But," say the officials, "you are not camels;" and the rabbits reply, "Just try to tell the G.P.U. that."

During the last two years (1933 and 1934) there has been a certain amount of relaxation. One of the most striking signs was the decision last summer to reorganise the G.P.U. itself and to take away from it the right to pass summary death sentences, which was used ruthlessly from 1928 to 1932. One must remember that in Russia Einstein's law of relativity must always be borne in mind. When you say that conditions have improved or relaxed, it may be relaxation from a desperate strain and improvement from such a low level that the net result would still seem to leave room for a great deal of improvement. I recently talked to a visitor from Russia who was most impressed by the fact that people in Moscow could, in a few shops, now buy butter. Well, that for Russia was an improvement over the worst years of the first five-year plan, but there would still have to be a considerable increase in production and distribution before what would be regarded in Western Europe as a normal standard of living could be even approached.

One can see a number of new trends in Soviet life that mark off the present years from the period of the first five-year plan. There is a great emphasis now in all Soviet propaganda on the need for greater inequality of wage and salary payments. The Communists sometimes almost suggest the bankers and business men of other countries in the zeal with which they advocate piecework payment, payment of wages in accordance with results, and a general emphasis on efficiency, altogether casting aside their rather Utopian early practice of equality and approximately equal wages.

Another characteristic of the new period is the new emphasis on nationalism. You now see phrases in Soviet papers that would never have passed the censorship two or three years ago, phrases about "our great socialist fatherland," and others definitely nationalistic in character. Whereas a few years ago the whole propaganda emphasis was on the international character of the Russian Bolshevik Revolution and the hope that it would soon spread to other countries, to-day the emphasis is on national achievements—such things, for instance, as the very brilliant flight into the stratosphere of Soviet aviators, or the daring rescue of the crew of the ship marooned in the Arctic Ocean. Very much in line with that is the declining influence in Soviet policy of the Communist International. The Soviet Government is acting more and more as a national State and is less and less inclined to sacrifice any national Russian interest for the supposed advantage of international revolution. Of course, a very important factor

in bringing this about is what the Soviet Government regard as the definite threat from Japan, and also the threat which they see in Germany. Soviet policy is to parry the danger by a number of measures, such as entering the League of Nations, and by forming as close a political and military alliance with France as may be possible.

Anyone who has been for any length of time in Russia feels the challenge of this entirely new system of economic and social life and the question always comes up: What really is the balance sheet of Soviet achievement over the seventeen years' existence of the Soviet Republic? Unquestionably there has been witnessed in this time a tremendous outburst of fanatical faith in Russia. The Communists believe that the changes which they have brought about—the abolition of private property and what they considered the exploitation of man by man—have in them the seeds of a new civilisation which is very much finer than anything that has gone before, and which justifies the tremendous suffering inflicted in bringing it about. I cannot share this view. I feel that the famine of 1932–1933 is an acid test of the system. The Communists, like the Fascists, always insist that civil liberties are outmoded and valueless and anyway are devices which allow a few capitalists to deceive the people. But I conclude from the famine, on which I have dwelt at length because I think it has an importance beyond the number of victims, that civil liberties have a practical value, not only for ourselves but also for the ill-educated peasants in the Ukraine and North Caucasus, because if there had been a free press and opposition parties in Parliament and the possibility of discussing conditions in South Russia, it is inconceivable that the famine would ever have occurred.

Until the Soviet can develop, along with its intense centralised power and its immense concentration of political and economic forces in the hands of the few men at the top, a few safeguards for the protection of the individual against the omnipotent State, it is very doubtful whether the material achievements, which undoubtedly have been made and of which there will be more in the future, will not always demand a disproportionate price in human suffering.

*Summary of Discussion.*

QUESTIONS: Had the restrictions on the movement of foreign correspondents been removed?

If the agricultural situation in Russia had improved, why was it that exports of wheat to Great Britain were non-existent and exports of barley very much smaller than usual?

**Had any estimate been made of the number of people who had died in the famine?**

MR. CHAMBERLIN said that before a foreign correspondent could leave Moscow he had to get permission from the Commissariat for Foreign Affairs and to say where he was going. The prohibition on travel imposed during the worst period of famine had been withdrawn and foreign correspondents had made trips to the country districts during the summer. It would be interesting to see if the prohibition would be reimposed in the spring, when the food situation usually became most acute.

The smaller export of grain was understandable because, although the harvest of 1933 had been better than that of 1931 and 1932, the harvest of 1934 was inferior to that of 1933. All Europe was suffering from the effect of the drought. It remained to be seen whether enough could be kept from the 1934 harvest to prevent further suffering in the following spring.

The population of the areas affected by the famine—Ukraine, North Caucasus, parts of the Volga region and Turkestan—numbered between fifty and sixty millions; a rough approximation would be that about 10 per cent. of the people died in the winter of 1932–1933, and deducting the normal mortality figure of about 2½ per cent., that would mean 7½ per cent. of over fifty millions, or somewhere between three and a half and four millions of people wiped out by the famine. There were, of course, no official figures obtainable.

QUESTION: Was it true that there was a religious revival spreading more or less surreptitiously among all sections of the Russian people, even among the younger Communists?

MR. CHAMBERLIN said that his own impression was that religion to some extent and for some individuals had been strengthened by the persecution, but the mass influence of religion had definitely declined and a whole generation had grown up that had been educated in the theory that religion was an agency of the capitalist for exploiting the proletariat and that it was inconsistent with science. No revival on any large scale would be possible without reprisals and arrests of those taking part in it. The whole Communist philosophy was opposed to religion and there was little prospect of a change in the position of religion unless there was a change in the whole structure of the government.

**QUESTIONS: Was the Russian claim justified that at least everybody in the whole of the country had his job? To what extent was the Red Army used as a method of getting rid of unemployment? Was it a fully trained army?**

MR. CHAMBERLIN said that four-fifths of the Russian population, including almost all the peasants and many of the less skilled workers as well as the inmates of concentration and forced labour camps, were getting, as he had said previously, less food and worse clothing and housing than the unemployed in England and the United States. It was therefore misleading to suggest that Russia had solved the unemployment problem, without mentioning the very low standard of living. The Soviet Government had been successful in building up a strong and reliable army, but it did not play any notable part in reducing unemployment. It was smaller in size than the pre-War Russian army, consisting of about five hundred thousand first line troops and a similar number of territorial troops. In the judgment of all foreign military observers, the equipment and general condition of the soldiers were good. The intense industrial development had made possible a large output of tanks and modern weapons and the men had always been spared the hardships of a food shortage. The army was filled with reliable young Communists and was a strong factor in keeping the Soviet Government in power.

QUESTION : Were there not a large number of people in Russia who were out of occupation?

MR. CHAMBERLIN said that in 1932 there had been an immense mass of floating casual unemployment. People dissatisfied with food and housing conditions in one plant moved on to some other plant, always sure that they would be able to get fresh jobs because of the definite shortage of labour. There were still a certain number of people moving from one job to another, but not nearly so many. The Soviet Government had passed a very drastic law threatening anyone who was absent from work without good cause, even for one day, with the loss of food card and home. In the mining district of the Donetz many miners who were in the habit of going back to their villages in the summer still did so. There was also a certain amount of unemployment due to the cutting down of office staffs, which in Russia were traditionally over-manned, but some of this would be taken up by the transfer of people to manual work.

LORD MARLEY said that in Russia there were always a number of workers in process of moving from one factory to another, and if they were transferred from Magnetogorsk to Vladivostok the journey would take from six to eight weeks, during which time they could be described as unemployed. He thought Mr. Chamberlin had given a very one-sided picture and had neglected a number of factors which ought to be taken into account in estimating the social and political advance of the country. Russian conditions could not be compared with those in Great Britain or the United States, where the standard of life was totally different, but should be compared with those in Russia in 1913. Since then the disastrous treaty of Brest-Litovsk had deprived Russia

of some of her richest areas and caused an immense amount of suffering, and superimposed on that the intervention period of 1920–1921, at a cost of £200 million to the British taxpayer, had still further devastated the country and had made the Soviet task of reconstruction still more difficult.

With regard to the agricultural areas, the British Empire faced precisely similar difficulties in India, where year by year tens of thousands of people died from starvation. The Soviet Government therefore could not be blamed for difficulties which were partly due to the immense distances and inadequate transport, and partly to the *cordon sanitaire* which Great Britain had helped to draw around Soviet Russia.

In speaking of the low wages, Mr. Chamberlin had not dealt with the high percentage of the workers' standard of life which was contributed by government social services. Whereas in Great Britain about 11 per cent. might be added to wages in respect of social services, in Russia the addition would be 40 per cent. In Great Britain the proportion of the worker's wages which went in rent was far too high for a reasonable standard of living, according to the Ministry of Health and the British Medical Association; in Russia rent was fixed at a percentage of wages and decreased as wages decreased.

If people would visit the country for themselves they would see many aspects of Soviet life which were well worth close study and from which Great Britain might derive considerable benefit.

A GUEST said that he had followed Lord Marley's advice in 1920 and had gone to Siberia; he had tried to go to Moscow but had not been allowed. In 1921 he had gone to the Caucasus and had been put in prison, and when asked to go a second time the same thing had happened. The last time he had visited Russia he had been sent out of the country under an armed guard. He appreciated what Mr. Chamberlin had said and thought he had been most impartial.

SIR BERNARD PARES said he was grateful to Mr. Chamberlin for his most honest and informative picture. He himself had been refused a visa for the Soviet Union at the time when the *kulaks* were being " liquidated." The best information as to what was going on was to be found in the Soviet press and the legislation they published, which was reproduced in exact translation and without comment in the *Slavonic Review*. There was the decree that anyone absent from work for one day was to be deprived of food card and lodgings. There was the decree of June 8th, 1934, that the relations of any soldier who escaped over the frontier, whether they knew of it or not, were liable for five years in a prison camp. All the six periodicals to which the School of Slavonic Studies subscribed had been stopped for that date, but the text of the decree had been secured from *Isvestia*. He considered that every statement made by Mr. Chamberlin was borne out by the Soviet press.

QUESTION: Would Mr. Chamberlin say that social and economic conditions in Russia, bearing in mind what Lord Marley had said of the foundations on which the Soviet régime had had to build, were better or worse as compared with conditions in 1913, than those of his own country as compared with 1913?

MR. CHAMBERLIN said that any comparison of present-day and pre-War Russia was difficult because it depended on the class of individual affected. The new classes which had come into power benefited by the revolution, but other classes had been ruthlessly destroyed. During the whole period of the first five-year plan the condition of the peasantry was definitely worse than in pre-War years. Live-stock had been reduced to half their number and the grain harvest of 1931–1932 produced ten million tons less than that of 1913, according to Soviet official figures. At the same time in the provision of education and cultural facilities there had been substantial progress, but the cultural life of the country was under the régime of a monopolistic dictatorship, and any kind of critical thought, in literature as in politics and economics, was apt to be suppressed. To compare the United States in 1913 and the present time and then try to reach a system of collation with Russia in 1913 and at the present time was too complicated a task to attempt.

The question of the blockade and of the Brest-Litovsk Treaty did not provide any excuse for the deliberate policy of allowing millions of peasants to starve in 1931–1932. The Allied policy of intervention might legitimately be held to be partly responsible for the famine of 1921, inasmuch as it was an outcome of the civil war, but by 1928 Russia had outlived that period and the existing state of affairs was due exclusively to the extreme methods by which the Soviet Government had driven through its plans for industrialisation and collectivisation.

# THE WAR OVER THE CHACO[1]

## A PERSONAL ACCOUNT

By Dr. J. W. Lindsay

To understand the problem of the Chaco dispute it is absolutely necessary to have a knowledge of the geography of the Chaco and of Central South America. In the war with Peru and Chile in 1879, Bolivia lost, to Chile, the whole of her Pacific provinces, the huge territory from latitude 25°—south of Antofagasta—right up to the Peruvian frontier, thus being cut off from communication with the sea. The Chaco territory is divided into two main parts, the Lower Chaco and the Upper Chaco. The zones mentioned in the report of the League Chaco Investigation Commission are five in number: the zone of occupation by the Paraguayans along the River Paraguay, the zone of occupation by the Paraguayans in the interior of the Chaco, the zone occupied by the Bolivians along the River Pilcomayo, the zone of the oil-fields, occupied by the Bolivians, and the zone to the north of the Chaco, also occupied by the Bolivians.

The two great rivers that form the boundaries of the Chaco are the Paraguay and the Pilcomayo. The River Paraguay is the principal branch of the great Plate River that flows into the sea at Buenos Aires and Montevideo. It is navigable, for steamers of a thousand tons and of eight to ten feet draught, right up to Corumba in Brazil, 1,870 miles from Buenos Aires. It is a wonderful river for water transport. On the other hand, the Pilcomayo, the Bolivian river, is about the same size but cannot be navigated in the north-west third because of the rapidity of the current; the second third of the river becomes navigable, but for small launches only; one hundred miles is then absolutely lost in swamps, which nothing can pass except in times of flood, and the river then re-forms for fifty or sixty miles to run into the Paraguay river which farther south is called the River Parana.

Paraguay is inhabited by the race which occupies the whole of south-east South America, the Guarani Indian race. Bolivia has three different races, the Bolivians of the plateau, who are of

[1] Address given at Chatham House on November 21st, 1934, Professor C. A. W. Manning in the Chair.

the Quechua and Aymara or old Inca race, the Bolivians of the Amazon Beni province of the north-east, and the Bolivians of the lowlands, who belong to the Guarani race and speak the same language as the Paraguayans. In between in the territory of the Chaco are tribes of an absolutely different race, speaking entirely different languages. It is supposed that at the time of the Inca conquests the old aboriginal tribes of the western coast had to flee before the conquering Incas and retreated eastwards to find refuge, and that this Chaco territory now holds the remnants of the aborigines of South America. The Guarani peoples are from the eastern coast and came across to oppose the advance of the Incas and remained there. The Incas never got further east. These prehistoric events provide the only explanation of how these absolutely different tribes come to be there in between two nations of Guarani-speaking people.

The first aspect of the dispute over the Chaco to be considered is the territorial dispute. Both Bolivia and Paraguay have old documents from Spanish colonial times which they put forward as proof that the whole of the Chaco territory belongs to them.

The Argentines, after the war with Paraguay from 1865 to 1870, seized a part of the Paraguayan Chaco and held it for nine years. Then the Paraguayans claimed its return, and in 1879 it was put to arbitration, the arbitrator being the United States President, Rutherford Hayes. He gave the award to Paraguay of what is now known as the Hayes Zone of the Chaco. This has been held, internationally, by all geographers and politicians, as indisputable Paraguayan territory by virtue of this award.

Later in the same year (1879) Bolivia, who then lost her Pacific provinces to Chile, laid claim to the Paraguayan Chaco, and the politicians of Paraguay and Bolivia came to an agreement that they would divide it in two. They drew a line from the Rio Apa due west to the junction of Argentine and Bolivia, the south to belong to Paraguay and the north to Bolivia. Later another treaty was signed by which the south of the Chaco was to go to Paraguay and the north to Bolivia and an intervening part was to be put to arbitration, but nothing ever came of it. In the year 1904 a further treaty was made in an attempt to reach agreement about the division of the territory, and a diagonal line was drawn from Fuerte Olimpo to the Pilcomayo at 61·28° W.; and in 1907 an agreement was reached by which lines of *status quo* were made, with a neutral or "no man's land" area between. All these treaties were made by the ambassadors of the two countries, who met in Buenos Aires for discussion and signed the documents, yet

after a few years they wanted to make another arrangement and never settled anything definite.

That was the dispute about territory. Later the Bolivians brought forward another plea : they wanted an outlet to the sea. Previously they had not thought of this because they had hardly any commerce to send out of the country. By the Chilean War they had deprived themselves of the Pacific coast, and on the other side they had sold their coast of the River Paraguay to Brazil, who still has it to-day. Brazil allowed them to have a port at Puerto Suarez, but this is a most unsuitable place. Bolivia, however, has plenty of outlet for her commerce by the three international railways of which she has the use : Mollendo–La Paz, Arica–La Paz, and Antofagasta–La Paz. She also has an outlet by rail to Buenos Aires, as well as that by river from Puerto Suarez.

Paraguay from time immemorial has held the coast of the River Paraguay. From 1536 to 1590 fourteen different exploratory expeditions had been made by the Paraguayans of Asuncion, the old colonial Spaniards, into the Western Chaco, and the whole of the Paraguayan coast was in their hands before the name of Bolivia was known. In all the negotiations that are being held and in all the efforts that are being made to reconcile the two nations, Paraguay insists that the Hayes Zone awarded to her in 1879 and the whole of the littoral of the Paraguay river cannot be submitted to arbitration as it is entirely her own territory. Bolivia says that the whole of the Chaco, Paraguayan coast and Hayes Zone, is hers because of her old title-deeds, and if there is going to be arbitration, it must be on the whole of the territory. The claims of the two nations are thus irreconcilable.

Later again there came a more urgent claim, the claim for pipe-lines for Bolivian oil. The mountainous territory of Bolivia is the silver and tin mining area and the south-east has been found to be one of the richest oil-fields in the whole of the South American Continent. There are oil wells in Tarija, Chuquisaca, Santa Cruz, along the River Parapiti and along the River Pilcomayo. Now all the Bolivian silver and tin and other industries were in their western territories, and the existing transport facilities were quite sufficient for them, but if you will look at the map you will see how the position is in regard to oil in connection with the Chaco dispute. Oil pipes cannot run westward over the mountains, and the plateau of Bolivia ranges from eight to twelve thousand feet high between the oil-fields and the west coast. East and south the land runs like a great funnel from the oil-fields as if just for tankers on the River Paraguay.

In 1921, therefore, attempts were made to do business with the Paraguayan Government for the purchase of a pipe-line corridor through the Chaco. In 1922 huge consignments of pipes were unloaded at the head of the Argentine Railway and nobody knew what the pipes were to be used for—they were in preparation for transport into the Chaco for pipe-lines that would run to tankers on the River Paraguay. Then a revolution broke out in Paraguay which lasted for a year and there came a change of feeling over the pipe-line negotiations. If they had been properly discussed and arranged at that time, it would have avoided the war; but the negotiations were broken off, and in 1923, when Bolivia again made a demand for negotiations giving some sort of outlet for her oil, her request was refused. At the end of 1923 Bolivia saw that if she had been militarily prepared in 1922, when the Paraguayans had their revolution, she might have walked across the Chaco while the Paraguayans were fighting with each other; and she then resolved that she would prepare for war and that when another revolution came in Paraguay, she would go walking through and take possession of the coast of the Paraguayan river. It was then, as I shall tell you later, that Bolivia contracted with the German General Kundt and Captain Ernst Röhm and a staff of German officers to go over and train the Bolivian Army for the opportunity to take the Chaco from the Paraguayans.

Here is a quotation from one of the South American papers :

> " Bolivia hired a general of the Prussian school and commended to him the preparation, organisation and carrying out of the conquest of the Paraguayan Chaco."

Later I read this of the same General Kundt :

> " The General analysed the Paraguayan situation. Everything indicated that the Bolivian advance would be a triumphal march through the Chaco down to Asuncion, the capital of Paraguay. The Paraguayan arsenals were empty, their economic situation was backward, their internal political situation was characterised by the imminence of a revolutionary outbreak, the population was reduced, they had few generals, very few aeroplanes, no tanks, no *flammenwerfers* and no trench mortars, all of which he had undertaken to prepare for the Bolivian invasion of the Chaco."

My own people, the missionaries, from 1915 onwards had visitors coming from the west, a thing never heard of before. Nobody to our knowledge had explored the Chaco from the west; it had always been from the east. But visitors then began to arrive, first civilians, later military men. When our mission-

aries went out west in their journeys, at places where they used previously to find only Indians, among whom they did their mission work, they now found Bolivian military forts. Some of my friends, wandering far west, came upon these forts at different points and found that there was a line of forts corresponding with the line that would have been used for the pipe-line, showing that there was some strategic idea behind this advance of the Bolivians. The Director of the Mission wrote to me asking me to send back at once one of the missionaries who was convalescing at my place from a fever. His message was :

> " Please send Smith in at once. We are short-handed and we cannot understand what this Bolivian advance means."

That was in 1923.

What did it mean? Let me quote again from other writings. General Alonso Baldrich, a very distinguished Argentine military engineer, says :

> " To-day wars are for the conquest of markets, and just as Japan has tried to be predominant in China, so Bolivia has tried to overwhelm Paraguay. Petrol is the invisible cause of the Chaco War. Let us stop talking of the Bolivia–Paraguay question being one of frontiers, of an outlet to the sea, and other sentimental nonsense, given as the explanation of the cause of the war. This is a war of despoliation, of brutal conquest, which Bolivia has waged against Paraguay, thinking, with their German General, that in a few weeks they could possess themselves of an immense territory, one of the richest oil-fields in America."

Let me read you what the Bolivian President Salamanca said :

> " It is necessary to break through the barrier that blocks our access to the coasts of the River Paraguay. What Bolivia requires is a coast-line upon that waterway for access to the Atlantic, an extensive coast sufficient for the exploitation of the oil-fields, sources of such incalculable natural wealth."

Let me also quote what Senator Long said in the United States Congress on May 30th, 1934, when he accused the existing American oil companies of being the traditional promoters of all the revolutions and wars that had occurred in Spanish America :

> " Imperialist finance is the one thing responsible for the armed conflict now in progress in the Chaco, a region recognised for centuries as Paraguayan territory, but for the sake of which, when the existence of petrol was discovered, the capitalism of the Standard Oil Company corrupted Bolivia with the object of obtaining a convenient and economic outlet for their products."

In a Bolivian officer's diary that was found on his body after a battle, we read:

> " While poor Bolivia is shedding its blood in this war it ought to be made known that it is only doing so in the defence of the interests of the rich Standard Oil Company."

Another Bolivian officer in his diary wrote:

> " This iniquitous war has been waged by Bolivia against Paraguay in the belief that might is right, and that with the almighty dollar they can usurp their neighbour's territory."

These statements are from the enemy's side.

I must say something about the negotiations carried on in order to try to arrange these difficulties and ease the strained relations between Bolivia and Paraguay. A great many different conferences were held, all of them in America. Unfortunately the League of Nations was unable to interfere because of the Monroe Doctrine, which prohibits Europeans from interfering in territorial matters on the American continent. So the conferences were in Washington, Montevideo, Buenos Aires or Mendoza. In the twenty-seven months of the war there have been put forward six different formulæ for the solution of the dispute; Paraguay accepted four of them, but refused two, while Bolivia stumbled at the whole six.

I must also say a word about the military position. There had been a great number of incidents, as was quite inevitable, seeing that military outposts had been formed in the interior of the Chaco. Opposite every Bolivian outpost, a Paraguayan outpost was formed, so that there came to be a double line of forts for a distance of over three hundred miles, a front like that in the World War right through the heart of the Chaco territory. The climate in the Chaco is very good, but the monotony of the life and the loneliness have a very enervating effect, and among my own friends, the missionaries, I should not like to say how many I have had to send home because the conditions of life in the Chaco were making them mental. It was inevitable that soldiers, living in the lonely outposts, now and then wanted a scrap. It happened on both sides. Each blamed the other at the international conferences and each appealed to the League, Bolivia saying that the Paraguayans had attacked and Paraguay saying that the Bolivians had attacked. But there was never anything very serious until June 15th, 1932. After that war really began and it has gone on ever since.

The war has been carried on in exactly the same way as the

European War. On one side were the German General Kundt and Captain Ernst Röhm, who had gone out as instructor to the Bolivian Army and remained there some years, when he was recalled to be the Commander of Hitler's Storm-troops until he was assassinated. On the other side, the Paraguayan General was José F. Estigarribia (then Colonel), a Paraguayan of Spanish descent, who was educated at the Military Academy of St. Cyr. The second in command was of Spanish descent and had been trained in Belgium, and the third was an English boy whose father had married a Paraguayan lady. These Generals of our " Allied Army " were ranged against German Generals and a German trained army, and with the same result. The French–Belgian–English trained troops have driven the German trained troops right back to their own frontiers. The German trained forces were brought on in great massed attacks and offensives, the Bolivians being cut down by the Paraguayan machine guns. Then, when the Paraguayans replied with a counter-offensive, after a few attacks against the Bolivian lines, the Bolivians surrendered and were taken prisoners. The Paraguayans have twenty-five thousand Bolivian prisoners to-day, because the Bolivians had no more fight left in them. After every surrender the Paraguayans captured the munitions and arms of the Bolivians, so that at the end of the first years of the war the Paraguayan arsenal consisted of Bolivian armaments.

I have spoken about the foreign military missions. It is a matter which the League of Nations ought to take up. Paraguay had a German military mission from 1912 to 1914. After the European War the Paraguayans got back their own officers from Europe and organised their own army, but, wanting to defend their country on " Allied " lines, they called out a French military mission which was there from 1923 to 1930. In 1923, as I said, the Bolivians contracted with the German General Kundt and his staff, but on account of the defeats which they suffered, they became dissatisfied with the German system and called for a Spanish military mission, which was out there for some time. It failed and disaster followed disaster, so then they called in a Chilean military mission to consolidate their armies. The latest military mission now in Bolivia, since July 1934, is a Czecho-slovak mission, headed by General Paseć, with a staff of Czecho-slovak officers, and up to the month of October last Czechoslovakia was supplying Bolivia with all the armaments that she required.

It is a most extraordinary thing that the latest committee of the League of Nations for the conciliation of the Chaco disputants is

composed of Latin American representatives headed by a Czechoslovak chairman. These are the facts; I put no construction on them. The League Chaco Investigation Commission came out about the time that the Bolivian armies suffered a great disaster. It arrived in Asuncion, stayed there two days, then went up the river and examined the whole of the Paraguayan coast, military ports and bases, then went into the interior by motor-car or aeroplane and examined the whole of the Paraguayan front, all the military positions and the headquarters of the Commander-in-Chief. The Italian delegate visited the Bolivian Puerto Suarez sector. Then they returned to Asuncion, went down the river to the port of Formosa and after that took the train right up to La Paz. There they remained from December 5th until after December 20th, 1933. While they were there, over two divisions of the Bolivian Army surrendered and the Bolivians evacuated all their forts right back to the Pilcomayo. At that time the Commander-in-Chief of the Paraguayan armies proposed an armistice. He had ten thousand Bolivian prisoners on his hands and could not feed them. He appealed to the League of Nations Commission in La Paz to ask the Bolivians to participate in an armistice for the sake of their own people.

I was in Asuncion, the capital of Paraguay, at the time and I went up the river with a White Russian medical officer, who was serving with the Paraguayan Army like myself, to the port of Casado in order to give prophylactic treatment to the ten thousand Bolivian prisoners being brought in, to disinfect them and vaccinate them against smallpox, typhoid, etc., before they were allowed to go down to the concentration camps.

The armistice was arranged with the help of the Chaco Investigation Commission, but it did not last longer than sixteen days. And the Commission, instead of doing what they had promised, and investigating the whole Bolivian position, went straight down by rail from La Paz to Buenos Aires and Montevideo. That created a very bad impression on the South Americans. The Commission examined the whole of the occupied area on the Paraguayan side and never went near the Bolivian side. They knew nothing of what there was on the Pilcomayo or in the oil-fields zone, or in the other zones which they had down on their programme for visiting. The result was that the Paraguayans, Argentines and others said, " You look at one side and not at the other. Your verdict cannot be impartial." Thus Argentine, Brazil and Paraguay conclude that the League Commission is on the side of Bolivia.

The war has gone on until now the Paraguayans, who are and always have been a great fighting people, although their country is poor, have driven the Bolivians back, with their German Generals, their Spanish Generals, their Chilean Generals and now their Czechoslovak Generals, right across to the frontiers. Speaking in terms of warfare the South African War of 1899 and 1900 was a feeble skirmish in comparison with this war. There are ten times more dead in the Chaco than there were in South Africa after that war. Between the end of the South African War and the beginning of the European War there were fourteen years. Between the end of the European War and the beginning of the Chaco War there were also fourteen years. Notice the progression of slaughter. In the Boer War one in twenty died on the field; in the European War, one in ten; in the Chaco War, one in five. The weapons of the Boer War were antiquated compared with the weapons of the European War; the weapons of the European War are antiquated in comparison with those used in this war. The Bolivians and Paraguayans are using weapons of the very latest types from all the nations of the world. This is not a war between savages or semi-savages but a war in which the highest civilisation—speaking in terms of warfare—is taking part.

One cannot say what the end of the war may be; one cannot say how peace is going to be arranged. The Paraguayans say:

> "We have a conviction that peace will come only as a result of the victory of our arms."

The great forts on the western side that are all in the oil-fields are being taken by the Paraguayans and there is a frightful panic among the oil people, who are wondering what is going to happen. They say, "These wretched Paraguayans are coming and taking our oil-fields." But we who live in Paraguay and know the people—and every northern boy who went to the war had been through my hands—give all our sympathy to the Paraguayans. I want to point out that they have fought one of the cleanest fights in the history of warfare against tremendous odds—the three million population of Bolivia against eight hundred thousand in Paraguay, with all the best military science in the world on the side of the Bolivians.

The League Commission tried to do what they could, and now the Council of the League is making a tremendous effort to end the war and the same panic negotiations for peace may be repeated as at this time last year, when the Bolivians surrendered two divisions of their forces. Or there may be a revolution that will overthrow the Bolivian Government. Or the country may be

seized by the Communists, and what General Kundt hoped would befall Paraguay and put it in the hands of Bolivia may be Bolivia's own fate. What would Paraguay's fate have been if the German General had succeeded? The same as would have been England's if the Germans in the European War had succeeded. General Estigarribia, Foch's man, knows that he must not make Foch's mistake and leave off too soon. He and President Ayala do not intend to make the mistakes made by the politicians and military leaders in the European War and its aftermath.

President Ayala in 1932, when he was President-elect, promised the Paraguayan nation that his four years' term of office would be devoted to seeing that there was a definite settlement of the Chaco dispute and to establishing a state of security against future foreign aggression. It has not been possible to do this through arbitration, as I have shown. For six years there have been conferences and formulæ have been produced with no result. The Paraguayans are now determined that not through arbitration but by the arbitrament of war the dispute shall be settled. The Paraguayans, victorious, will dictate the terms of peace as did Foch and Clemenceau and Lloyd George. The Argentines and Brazilians will stand by the Paraguayans and will brook no interference from outside. Neither of them will tolerate foreign domination; they will apply the Monroe Doctrine in face of all the world in defence of their little friend Paraguay.

Left to themselves the South Americans are quite capable of managing their own affairs and it may be that, as happened after the European War, there will be a rearrangement of territories by races. It may be that such a rearrangement may secure the future peace of South America. The Guarani peoples of Eastern Bolivia, who hold the oil-fields, have on various occasions revolted against the highland people of Bolivia. It may be that as a result of the panic of this war and of resulting revolution, these oil provinces may break away. The Guarani peoples, who are of the same race and language as the Paraguayans, may then carry out their oft-repeated resolve to make themselves independent. If they do, they would form a buffer State between highland Bolivia and the Chaco and might cooperate with their Guarani brothers of Paraguay in the exploitation of the rich Chaco lands. This is an ideal held by many South American statesmen. They would have all the oil and Paraguay would let them have all the pipe-lines they wanted. There could be no more sure guarantee against the continental conflagration which it was prophesied that the Chaco dispute would set ablaze.

# MR. LLOYD GEORGE'S MEMOIRS [1]

By Lord Meston

In the hope of being able to deal with the work as a whole, the four volumes of Mr. Lloyd George's War Memoirs were not reviewed as they appeared. They carry the story, however, down only to the close of 1917 and, as the official end of the Great War was not until August 1921, a certain sectional treatment of the Memoirs now seems inevitable. In any event, the treatment cannot but be partial, so far as this Journal is concerned: for it would be a straining of language to discuss, as international affairs, many of the topics which have drawn the fire of critics and controversialists. This applies more particularly to the battles which Mr. Lloyd George had to wage unceasingly on the home front; but it may, for obvious reasons, be extended to his comments on the many distinguished men who crossed his stage, for, pungent though is their interest, they are only marginal notes to the international drama.

In that drama, historians will continue to dispute over the part which Mr. Lloyd George played, and over his estimate of the other actors. This much, however, is beyond dispute, that from the outset he saw, as few others did, what it was going to mean to England and to the world. From the outset also he kept his eyes on the main issue, and refused to be diverted or daunted. In many ways he followed a great model. "Here was one," has been said of Cromwell by his latest biographer, "who had no doubts, who believed wholly in the righteousness of his cause and was resolved that that cause should prevail in the field, who dismissed contemptuously all half-measures and faint-hearted overtures for peace, and who turned his eyes fearlessly to instant needs." It is the story of these "instant needs" which occupies a great part of the narrative:—the fight for munitions, the organisation of transport, the feeding of the Allies, the convoy system, the regimentation of labour, all of them jostling through the even more instant needs of the fighting forces. In their description room is hardly left for problems less direct and immediate. There

[1] *War Memoirs of David Lloyd George*. 1933–4. (London: Ivor Nicholson and Watson. Demy 8vo Vol. I, xx + 529 pp.; Vol. II, xvi + 509 pp.; Vol. III, xxiv + 688 pp.; Vol. IV, xix + 713 pp. 21s. each vol.)

is little reference, for example, to such topics as the origin of the War, or war guilt. In one phrase—"thus great armaments made war"—is summed up all that need be said. Or, in a more expanded form:

> "The military chiefs in the leading countries of the Continent thrust the nations into war, while their impotent statesmen were still fumbling for peace."

"Impotent statesmen," as the story goes on, are followed by impotent diplomacy, impotent politicians, impotent strategy, impotent generalship: the cynic might almost welcome it as an epic of impotency, and, when the tale comes to its end, he would probably describe its sequel as an impotent peace. That, of course, would be a travesty; but the lesson that is burned in upon us by these four volumes is the folly of war, both in its inception and in its conduct. Naturally enough, Mr. Lloyd George, ever preoccupied with the instant needs of his critical years, lays special emphasis on particular types of folly. Other nations may be left to reflect on their own brands of ineptitude. Where Great Britain failed was, first of all, in its complete unpreparedness for war: then in its inability to estimate the magnitude of the struggle; and finally in the grievous lack of understanding between our High Command and our executive government. This last was mainly due to the inevitable suspicion of the expert by the amateur, and the distrust by the expert of even the most gifted amateur. Its outstanding, and possibly its most tragic, product was the dispute, running its baleful course through all these 2500 pages, over the strategy of the Eastern front. From a very early stage Mr. Lloyd George never wavered in his advocacy of a flanking campaign by the Allies in the Balkans. He claims that, if this had been energetically undertaken, Serbia might have been saved, Roumania helped, Bulgaria dissuaded from joining the Central Powers, Turkey isolated, Austria driven to sue for peace, and Germany encircled: the War might have been ended in two years, and millions of lives might have been spared.

To our High Command the project was anathema: it was on the Western front, and there alone, that victory was to be sought; all other enterprise was discouraged and obstructed; and thus, according to Mr. Lloyd George, the struggle degenerated into a war of attrition instead of intelligence. Which was the ideal strategy, possibly no human arbitrament will ever decide. The painful thought remains that no means existed, either in this country or in France (where the conflict of views seems at one

time to have been equally acute), for bringing the two schools—whether by reason or by authority—into that concert which is essential to success. The even more painful thought emerges that, should we be fated to endure another war—more sudden and, by universal consent, infinitely more disastrous than the last—it would find us as unprepared and as divided in counsel as we were in 1914–1915. It would be difficult to advance a stronger reason why Britain should lead a world movement towards security, disarmament and peace.

Much of what Mr. Lloyd George now places on record is aimed at removing myths and misconceptions regarding his own acts and policy. Consequently what will in after-years be looked on as disproportionate space is often given to matters of relatively trivial import—the *brusqueries* of Lord Northcliffe, for example, and the resignation from the War Cabinet of Mr. Henderson. Alongside of these, however, are topics of titanic moment, such as the Russian revolution and the disruption of the Turkish empire. The former finds Mr. Lloyd George in somewhat of a dilemma. His leanings are all towards the break-up of the Tsarist autocracy, with its corruption and its cruelties. And yet, if his strategy had prevailed, that autocracy might still be flourishing to-day. The terrible *débâcle* of the Russian forces was largely due to their complete lack of arms and munitions. Had Britain and France furnished them, as Mr. Lloyd George insistently pleaded, with rifles, heavy artillery and high explosives, there would have been no German victories on the Eastern front, and the "steam-roller" would have achieved its purpose. Military triumphs would have left Russia with Poland under its heel and the Tsar more firmly seated on his throne. Whether this would have been for the greater good of humanity than what has happened is a speculation too vast for a mere reviewer.

Hardly less enigmatic is the story of Turkey. With almost apocalyptic fervour Mr. Lloyd George urged, as one of our chief war-aims, the dismemberment of the Turkish empire. "The Turks," he told the War Cabinet in 1917, "are ruling lands which were the cradle of civilisation and . . . at one time the granary of civilisation; and now those fair lands are a blighted desert, although once upon a time they were the richest in the world. . . . The Turks must never be allowed to misgovern these great lands in future." Here again, if he had had his way, our strategy would have been bent on the isolation of Turkey and the crushing of her power when that power was negligible. But the very stars in their courses fought against his attainment of that

objective. The pitiful mismanagement of our early campaigns in Mesopotamia, the wasted gallantry of Gallipoli, the feeble defensive in Egypt, even the comic little interlude at Aden—all raised the prestige of Turkey and toughened her fibre. It is true that, with more skilled leadership and adequate forces, we did dismember her empire in the end; but what was left was not an effete shadow of the Sublime Porte on the Bosphorus. It was a new Turkey, drilled and reformed, at Angora, with an unpredictable capacity for restoring Islam as a world-power. This was not what Mr. Lloyd George had foreseen or desired.

Random gleanings from so massive a work can give no impression of its comprehensive thoroughness. It is well that the book has been written, both as a contribution to history and as a monument to the infectious enthusiasm and the high heart with which Mr. Lloyd George carried through the greatest task of his day and generation. MESTON.

# REVIEWS OF BOOKS

**Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g. "Areopagus, London: Send Book Twenty May Journal: Smith."**

**Books marked with an asterisk (*) are in the Library of the Institute.**

## GENERAL

1*. OUR OWN TIMES. Vol. I. By Stephen King-Hall. 1935. (London: Ivor Nicholson and Watson. 8vo. vi + 449 pp. 10s. 6*d*.)

THIS is a difficult book for one man to "review." It is so important in its matter, and so compelling in its style, that it is certain to be as widely read as it deserves to be, and that is very widely indeed. The readers of *International Affairs* do not need any recommendation to make them buy, read and enjoy Stephen King-Hall's work. They have a right, however, to expect from their reviewer a detailed critical examination of this book, a careful report upon its documentation, its accuracy and its general reliability. No single man is competent to give them all this, because *Our Own Times* achieves its set purpose of breaking the bounds of specialisation which are essential for the work of scholarship, and tries to assemble into a readable and well-balanced whole the separate studies of diplomatic historians, economists, international jurists, government statisticians and contemporary archivists. The private person who has wandered in the Valley of Desolation created in recent years by the enormous output of these specialists must often have yearned within himself and cried aloud in anguish, "Shall these dry bones live?" His cry is answered; in *Our Own Times* they do. With this the reviewer and also, he hopes, his readers, must be content. He cannot say with certainty that they have all

been fitted, each bone to his bone; but Stephen King-Hall's long contact with specialists in many fields, and particularly with Arnold Toynbee, is a sufficient guarantee that so far as his material is concerned, there is little that is seriously amiss.

The method of this book is best illustrated in the really brilliant Chapter II entitled, baldly, "Great War." In two paragraphs the incidents grouped round the Serajevo murder are briefly related, then comes a quotation from a speech by Sir Edward Grey in the House of Commons on March 13th, 1911, recognising in reply to proposals that had been made by President Taft the urgent need for some system of collective security. We go back to the events of July and early August 1914 and to the main events of the War, which are briefly recounted. Then comes the autobiography of a youth of seventeen who was badly wounded on the Somme and had the bullet extracted from his lung in a hospital in Munich in 1924. The economic consequences of the War are briefly outlined, and the chapter concludes with two sections which are vitally important for the rest of this book; the first frankly and generously recognising the comradeship which the War evoked, the second two mordant pages headed "War Weariness." The chapter is not a *tour de force*; it succeeds because it is overwhelmingly sincere. Our own times have been recorded for future generations.

The contents of the rest of the book must be briefly described. The work of reconstruction immediately following the Armistice is crisply told, and the events of the Peace-making are allotted—but not crowded into—some 27 pages. The rest of the book falls into two parts. Chapters V to XIII describe the principal areas of the world, Soviet Russia, Italy, Turkey, Central and Eastern Europe and Central and Eastern Asia, the United States in its relations with World Affairs, and the British Empire. The whole of this section is dominated by the vexed relations of England, France and Germany, and it begins and concludes with an account of the progress that has been made in organising peace. The concluding section of the book, Chapters XIV to XX, is more limited in scope. After reviewing the economic conditions of the post-War world, several chapters are devoted to British economic and commercial policy; that is, to the attempts that were made to rebuild the international trading system. The section concludes with an account of the onset of the world depression and the collapse of the Gold Standard in 1931. There are two Appendices: the first gives the text of the Covenant of the League of Nations, a document often discussed but too seldom read. The second is a note on the Gold Standard, which includes a brief comparison between the pre-War and the post-War Gold Standard systems. This loses a little of its value because it stresses the "willingness to cooperate internationally" as the basis of the pre-War system. It is probable that there have been more conscious attempts to cooperate in the post-War than in the pre-War period. The difficulty has been that before the War the Gold Standard grew up as the outward sign of a slowly evolved harmony in international prices and costs and served only to prevent them becoming widely divorced from one another. In the post-War period there has been a dangerous tendency to use the Gold Standard unaided as an instrument for forcing the systems into closer relationship, a task for which it is entirely unsuited.

The first general difficulty which a writer has to face in dealing with

contemporary history is the selection of topics to be included. Events are so fresh in the memory of his readers that each will have his own scale of preferences based upon the vividness of his own recollections, that is, upon his personal associations with the matters discussed. This strong personal element frequently makes contemporary history unpalatable, and the reader begins with an initial prejudice which the writer has to overcome. On this point Stephen King-Hall seems to have been completely successful. The present writer felt, as he read, that the events which he regards as the important ones in our own times are fairly dealt with, even when they are not specifically referred to. A background has been provided in which setting they take on a new and lively significance.

The second general difficulty, once the selection of the material has been made, is the spirit in which it shall be presented, and the ideas which shall hold it together. Any strong personal bias on the part of the author weakens the value of the book. He must, to be successful, steep himself entirely in the spirit as well as in the events of his day and generation. *Our Own Times* survives this test also. The historian of the future will find here much that will assist him in understanding not only the problems but also the people of the period 1914 to 1934. Here is the fine generosity as well as the unfairness of our day and generation. The co-existence of these things is a puzzle which will perplex those who have not themselves experienced the high hopes and cruel disillusionments of these last twenty years. Here are two examples taken at random from a book which is clearly imbued with the highest possible sense of human and social values. The little quotation at the head of Chapter II, "Great War," is—"See how these Christians love one another." Into a paragraph which describes with the utmost vividness and economy the state of Europe early in 1920 is thrust the tendencious sentence: "Grateful Parliaments were voting substantial sums to generals and admirals who had not given themselves away or been given away in memoirs." In these "asides" there speaks not an individual, but the very spirit of our generation. They are invaluable in preparing the way for Volume II, which, we are told, is to deal with such events as the rise of Hitlerism and the policies of nationalism.

In a second important particular, our author, with the flair of the historian and dramatist, has caught and cunningly portrayed the intellectual confusion of our own times. The whole book is an indictment of statesmanship and of the failure of public men to liberate the high ideals which possessed their people whenever they were left free from the insidious infection of persuasion and propaganda. Even in treaty-making, in which governments have had centuries of experience, the work was inefficiently done. Crude errors in economic and other matters were repeatedly made; and from time to time statesmen abdicated their functions and left semi-private individuals to clear up the mess, as in the case of the Dawes Committee. And yet *Our Own Times*, with scarcely a page that does not recall vividly the dangers and frustrations of State control, which shows how the simplest practical problem becomes almost insoluble when it is integrated with political issues, *this* book pleads almost wistfully for more State control as the solution of our difficulties. To future generations, if our civilisation survives, this will be the supreme enigma of the post-War period. Stupefied by the abdication of individual rights and the sense of personal responsibility which was essential if the supreme crisis of

the War was to be survived, we hanker for more and more of the drug which has been our undoing. The problem of the contemporary historian is to make this fundamental confusion abundantly clear while avoiding the danger of preaching which will result from presenting the issue too clearly to his readers. Stephen King-Hall allows his material to speak for him in presenting this paradox, and in doing so he catches the very spirit of our own times. This test of sublimation of self to the work in hand is the most severe that can be applied. This book survives it. It is of permanent value because while it must be read by this generation, it will be indispensable for those which are yet to come.

In conclusion, let me take this opportunity to clear Stephen King-Hall's reputation of any taint of academic mugwumpery that may yet cling to him as a result of his association with economists. When he was cross-examining me over the microphone in a series of Broadcast talks some three years ago, I received from India an anonymous postcard, bearing the following lines :—

> " Myself when young did eagerly frequent
> Hall and King-Hall and heard great argument;
> About it and about, but evermore
> Came out by that same door wherein I went."

There is nothing inconclusive about *Our Own Times*. The doubts of the study and laboratory are removed. This being the case we shall wait with great impatience for Volume II,[1] which is to deal with our present discontents. N. F. HALL.

2*. LIBERTY TO-DAY. By C. E. M. Joad. 1934. (London : Watts. 8vo. 216 pp. 2*s*. 6*d*.)

3*. THE METHOD OF FREEDOM. By Walter Lippmann. 1934. (London : Allen and Unwin. 8vo. 114 pp. 4*s*. 6*d*.)

THE first of these books is a re-statement, adapted to present-day conditions, of the nineteenth-century liberal argument in favour of freedom as the " indispensable condition " of the good life. Everyone will not agree with all Mr. Joad's incidental comments, but he wields an apt and trenchant pen and the case against liberty is as well put, in brief compass, as the rejoinder.

Mr. Lippmann's book is of a very different order. It is an outline sketch, delivered in the form of a short course of lectures at Harvard, of a new philosophy of government midway between *laissez-faire* and economic absolutism. Mr. Lippmann draws his material from the response made to the crisis of the last five years by the English-speaking and Scandinavian peoples. He discerns in it a method of social control which he entitles " free collectivism "—collectivism because it acknowledges the political responsibility involved for the working of the economic order *as a whole*, free because it " preserves, within very wide limits, the liberty of personal transactions." This principle is shown to operate through a process of compensation, public action being used to restore the equilibrium when disturbed by private action. The applications of this to central banking, unemployment policy, the provision of a minimum standard of life and other fields of economic policy are worked out with great skill and illustrated from current practice, especially in Great Britain, which, the author holds, has been better inspired than any other of the free countries in feeling its way to the new intermediate system. A. Z.

[1] I understand that Volume II is not in proof, as is announced in Volume I, but that most of the material is now ready for the printer.

4*. THE DILEMMA OF DEMOCRACY. By Professor Isaac L. Kandel. [*The Inglis Lecture*, 1934.] 1934. (Cambridge, Mass.: Harvard University Press. London: Humphrey Milford. 8vo. 79 pp. 4*s*. 6*d*.)

INVIGORATING criticism of so-called democratic education reads opportunely at this time when faith in the competency of democracy is being so generally challenged. Professor Kandel has not lost faith, but he believes that educational values in the United States have sadly gone astray owing to a misinterpretation of democratic principles. He finds that many of the faults in the American system arise from a confusion between Equality and Identity, two terms which are at present treated as synonymous. So long as Bentham's phrase "push-pin is as good as poetry" is applicable to curriculum values, so long as individual work is assessed according to whether the pupil has "done his best" rather than whether his achievements are satisfactory, little leadership inspired by a will to conquer, and still less culture will be encouraged. But there will be no improvement unless a studied philosophy of education is linked to the present laboratory method to give purpose to the educational process. Even the chemist, as Professor Kandel points out, must work with a definite plan in mind. Further, the universality of democratic education invariably introduces many problems, such as the over-production of an "educated proletariat," which have as yet received insufficient attention.

Eighty pages provides but a short space within which to review both the problems and the mistakes of democratic education. Nevertheless, this succinct and lively handling of the "dilemma of democracy" should make all countries, not only the United States, pay attention to the subject. S. R. M.

5*. THE STRANGER OF THE ULYSSES. By the Rt. Hon. L. S. Amery. 1934. (London: Jarrolds. Cr. 8vo. 163 pp. 5*s*.)

MR. AMERY has put us all in his debt by republishing this group of delightful variations (all except the last chapter) on classical themes. They show him as a faithful lover of the greatest of all literature, and a devoted son of the British Empire. When the world grouping which he prefers to the vaguer notions of collective security reaches realisation, he would welcome Scandinavia (and apparently Greece) into the family of our Commonwealth. There is some delightful fooling in the chapters on "Press Cæsars" and "Little Cuthbert's History of England"; and plenty of Attic salt throughout. MESTON.

6*. LE CRÉPUSCULE DES TRAITÉS. By Y. M. Goblet. 1934. (Paris: Editions Berger-Levrault. 8vo. 262 pp. Maps.)

The author of this book, who is on the editorial staff of *Le Temps*, wishes to see the "dead hand" of the jurist removed from its excessive influence on international affairs To him the "Twilight of the Treaties" means that undue weight hitherto given to historical and juridical factors is being replaced by a greater regard for "political geography." Thus he defines as a science which analyses and studies "the geographical complexes which play their part in the formation and evolution of those political groups which have a geographical component—*i.e.* nations and states." He opposes it to "Geopolitik," a pseudo-science which he holds guilty of reviving the spirit of 1914 in Europe to-day. The book surveys the world to-day and discovers certain "negative phenomena of dissolution and positive phenomena of evolution." It demands of those in power that by a "realist respect for facts" they should assist the development of the latter, as tending towards stability and peace. An analysis on these lines of the Far Eastern situation reveals, for example,

a national organism evolving normally towards a stable "equilibrium," while the Saar is developing into a free frontier zone. In the author's eyes, the danger, in these instances, as in Egypt, India or South America, lies in any attempt to override "natural factors" in the name of "history" or "law." H. G. L.

7. REFLECTIONS ON THE END OF AN ERA. By Reinhold Niebuhr. 1934. (New York and London: Scribners. 8vo. xii + 302 pp. 10s. 6*d*.)

DR. NIEBUHR commands attention because he has a cross-bench mind. In religion, of which he is a teacher, he is a conservative. In politics, of which he knows less, he is a Marxian. The result is a book which is rightly described by the publisher as "stimulating and provocative," the former adjective being more applicable to its theology and the latter to its politics. No one with an apocalyptic habit of mind can understand the British Commonwealth or indeed public affairs in any country, even in Russia. Nevertheless, in spite of his clean-cut summary judgments, supported by insufficient and sometimes inaccurate data, the author is a thinker of real distinction and his prophecy is delivered with power and pungency. A. Z.

8*. AN ATLAS OF CURRENT AFFAIRS. By J. F. Horrabin. 1934. (London: Gollancz. 8vo. 168 pp. 3*s*. 6*d*.)

MR. HORRABIN has a remarkable talent for clear diagrammatic exposition and he has rendered a real service by turning it to account in the making of this handy volume of sketch-maps. The subjects are excellently selected, ranging over the five continents and illustrating all the main problems of the post-War world, political, economic, nationalist and strategic, from the treaty of Versailles (Map 1) to Newfoundland (Map 74 and last). Opposite each map there is a page, or part of a page of letterpress. It is a pity that this has not been composed as conscientiously as the maps have been drawn. Since the volume is likely to be reprinted, the following points are worth mentioning. The Anglo-Italian agreement regarding Abyssinia should be dated 1925 instead of 1919 (p. 73). It should be made clear (p. 123) that it is not only since 1919 that Burma has been administered as part of British India. The reference to the outright cession of part of the German Colony of the Cameroons to France (p. 129) ignores the fact that this was the district ceded to Germany at the time of the Agadir incident in 1911: thus the whole of the German colony, as it existed in 1911, is mandated territory. It is not correct to say that the area of Kenya in which white settlement is possible "comprises almost all the good land in the colony" (p. 137), nor that "the Ukrainian Nationalist movement now only exists among exiles in Western Europe and America" (p. 27). The reference to the Tacna-Arica dispute (p. 153) reads as though it was still unsettled: it was settled in 1929. The reference to Ruthenia on p. 43 seems unduly sympathetic to the Magyar landowners in that province. Here, as in some other cases, the text is worded in such a way as to impute motives—a dangerous proceeding where there is not space to give fuller details. A. Z.

9*. THE INFLUENCE OF ENGLISH. By M. Follick. 1934. (London: Williams and Norgate. 8vo. 246 pp. 6*s*.)

THIS book sets out to prove that universal peace can only be attained through a universal language, without which universal understanding is impossible. The author dismisses Esperanto as a mere

" hobby, whim or mode," and decided, after examining the possibilities of various European languages, that English could most easily be brought to such a pitch of scientific refinement as would enable it to be accepted as a universal language. The only thing necessary, in the author's view, to achieve this end, is either to reduce the English language to " pidgin-English or scientifically to raise pidgin-English to the dignity of a language."

H. G. L.

10. STAATSLEHRE. By Hermann Heller. 1934. (Leiden: Sijthoff. 8vo. xvi + 298 pp. *Rm.* 5.25.)

This is an interesting exposition of what is essentially the mystic theory of the State. Its effect is to make organisation the end, as well as the nature, of the State. It is an able dialectic that should prove commendable to present-day authority in Germany. But it is not a significant contribution to modern political theory. H. R. G. G.

11*. HANDBOOK OF NATIONAL CENTRES OF EDUCATIONAL INFORMATION. 1934. (Paris: International Institute of Intellectual Co-operation. 85 pp. 5*s.* 6*d.*)

Contains a list of national centres of educational information with accounts of their organisation, together with a list of the principal pedagogic reviews—English and French version bound together.

## DISARMAMENT AND PEACE

12*. THE DISARMAMENT DEADLOCK. By J. W. Wheeler-Bennett. 1934. (London: Routledge. 8vo. xii + 302 pp. 15*s.*)

IN producing a book which so successfully " aims at being an account of the General Disarmament Conference " Mr. Wheeler-Bennett has added largely to the debt of gratitude owed him by those students of international politics who consider they have not personally the time to tackle these matters in the original sources. That much of the space should be given to portions, or paraphrases, of speeches, agreements and other official literature is, in any serious work on such a subject, inevitable. Thanks, however, to the author's known skill in tasks of this kind, the effect is seldom dull. The story, like the action, of the disarmament drama moves, of necessity, as it were on two distinct though inter-connected planes—the international, and that of the national politics of at least the more consequential countries. It is well, therefore, that, besides having himself had some hand in one phase at any rate of the less formal discussions, the author should happen, for an Englishman, to be so exceptionally conversant with the internals of Germany's domestic machine.

Beginning with a glance at the inauspicious background against which the Conference assembled (and the preceding year is, as to its outline, recalled in Appendix I), Mr. Wheeler-Bennett carries his narrative up to Mr. Henderson's not too hopeful adjournment speech in July 1934 and, after offering his comments on the projected Eastern Pact, concludes that " all hope of disarmament, or even of security, is vain until the gangster element has been eliminated from international politics." The treatment is fairly full: along with those negotiations more directly concerned, in Geneva or elsewhere, with disarmament and with Germany's equality claim, certain other contemporaneous diplomatic exchanges, such as those resulting in the Four-Power Pact, and some associated with the name of M. Litvinov, are brought within the scope of the book. How much more he could have written is

implied in the number and variety of interesting side-issues relegated by Mr. Wheeler-Bennett to the footnotes.

The balance and justice of his approach gain something from the fact that, Dr. Brüning apart, the author has no definite heroes, and, still more fortunate, no *bête noire*. That his interest is evidently centred in the political, not the technical, aspects of disarmament does, it is true, lead him into being a bit unfair to the experts. But it is by no means everywhere that his personal opinions obtrude at all. He does, though, allow himself to remark that for twelve important months it was the policy of the British not to have any policy of their own. He discloses, moreover, what they ought to have done. It was in April, 1932, while the *Feld-graue Eminenz* and the rest of the small hostile "camarilla of the Palace" had not yet finally felled Dr. Brüning, and concessions in Geneva might perhaps still have helped, that the major tragedy was enacted, the great opportunity missed. Mr. MacDonald ought at that time to have taken the lead in isolating France, placing her in "an untenable position." (When exactly was this? It was, was it not?, at a moment when, with crucial elections in the immediate offing, the French Nationalists will have been ready to exploit any new "appeal-material" to the utmost!). So by July the Conference was moribund and, though it received a perceptible fillip at the New Year, the outlook thereafter progressively worsened until that day, October 14th, when "the second, or Locarno, period of post-War history" would come to an end.

The author well brings out the human quality, and the humour, at each succeeding stage; nor, even over the Tardieu laryngitis, is his irony overdone; and if he does err when he thinks of the Red Queen's biscuit as coming in *Alice in Wonderland*, it makes no material difference to his argument. C. A. W. MANNING.

13. CHALLENGE TO DEATH. 1934. (London: Constable. 8vo. xv + 343 pp. 5s.)

THAT this is no ordinary book will be obvious to anyone who observes the list of names on the back of it. It is part of the well-inspired present-day movement for saving society "from disruption or decay by the intervention of the conscious and instructed intellect as a factor among the forces ruling its development." "All decent citizens," declares Viscount Cecil in an earnest, if conventional, foreword, "will be grateful" to those who, having the ability to make clear "the vital issue between international anarchy and cooperation" and being patriotically anxious to do what they could to avert the catastrophe of another war, have contributed chapters to the book. To admit that they belong "to different schools of thought" is not, however, to concede that collectively they make up a representative team: a "challenge," after all, is in its nature a unilateral affair.

The theme of the book is war, if not War—and "this business of opposing" it. The tragedy of the last War is expressed, in ten sonnets, by Edmund Blunden, the horror of the next foretold, with grim emphasis, by Gerald Heard. J. B. Priestley shows the weaknesses of the propaganda-technique common among pacifists; Vera Brittain the shortcomings of "the public mind" and of the education to which it is partly due. Major Yeats-Brown and his like are refuted by Guy Chapman, "armourers" apologised (?) for by Winifred Holtby. Storm Jameson and Ivor Brown dwell on the dangers of Fascism. The theory of peace through collective security is well set forth by

Vernon Bartlett and Mary Agnes Hamilton. The fallacy of isolationism is explained by Gerald Barry and "the necessity of an international ideal" by Rebecca West. Philip Noel Baker, after arguing the inadequacy of any merely national means of air defence, devotes a sanguine and knowledgeable chapter to the problem of an international air force. Elsewhere, while nominally dealing with Peace and the Official Mind, the same writer airs at some length and without much subtlety his lack of sympathy with the National Government. There are sound and suggestive observations in Julian Huxley's "Peace through Science"; but the most mature of all the essays is that by G. E. G. Catlin on the "Roots of War." Though perhaps inevitably it contains a certain proportion of superficial thinking, this book is not one which serious students of contemporary society should be content to ignore. C. A. W. MANNING.

14*. THE AIR MENACE AND THE ANSWER. By Elvira K. Fradkin. 1934. (New York and London: Macmillan. 8vo. xviii + 331 pp. 12*s*. 6*d*.)

THE air menace envisaged by the author is indeed for our crowded city populations an apocalyptic wrath to come. A rain of thermite bombs to light fires which cannot be extinguished; phosgene or mustard gas bombs to add to the horror; high explosive bombs to complete it by sending the skyscrapers crashing down—that, she states, is a picture of modern warfare. Every European city is open to such attack; nay, as General Balbo's flight of 1933 showed, every American city on the Atlantic sea-board also.

The answer to the air menace which Mrs. Fradkin propounds is summarised by her thus :—

> "There is only one answer to this menace—a world organisation to supervise disarmament and to settle international disputes by peaceful means . . . The cooperation of each nation with every other nation for the safety of each and all—that is the new patriotism. That is the last defence (p. 274)
>
> "Together, international control over commercial aviation, the abolition of aggressive types of weapons, international aerial police force, a universal world state, spiritual rebirth which is indicated in the phrase—moral disarmament—together all these deeply needed factors can cope with the air menace. They are the attainable answer to this menace" (p. 278).

Are they attainable? They have all been considered in some shape or form at Geneva during the last two years and elsewhere for a longer period still. Separately they have been found to present difficulties which are as yet unsurmounted. If a combination of them is necessary to supply an answer to the problem of the air menace, then the solution of that problem seems to be far distant indeed.

Take one of the elements of the answer, and not perhaps the most refractory. "Security against this air menace," states Mrs. Fradkin (p. 129), "demands some form of internationalisation of commercial aviation." Among the final objectives, to be attained perhaps after five years, she includes the control of all commercial and civil air lines by the League of Nations, which would have the right to convert the machines at need into a League air force. No mention is made of the thousands of machines in private ownership and not used for commercial work or as air liners. It is the international control of them which is the real difficulty, and they are all potential bombers too.

Mrs. Fradkin has collected a great deal of useful statistical and other information in regard to chemical warfare, air warfare and the unholy alliance of the two. Her historical statements are not in all

respects unchallengeable. She states (p. 97) that the First Hague Conference, 1899, ruled that "aircraft, present or projected, will not be allowed to take part in war," and repeats this statement in another form later (p. 130). It is incorrect. What the Hague Declaration in question prohibited was "the discharge of projectiles or explosives from balloons or by other new methods of a similar nature." It did not prohibit balloons (etc.) from engaging in reconnaisance, or from fighting one another, or from taking part otherwise than by bombing in air warfare. In any case a number of important Powers refused to sign the Declaration. Again, she states (p. 122) that a British air line runs via Rangoon, Singapore and Batavia to Australia. At the time when she was writing in 1933 it had not reached Singapore (though it did so in December 1933), and it has not yet been extended to Australia. The statement (p. 131) that the Hague prohibition of the bombardment of undefended towns (Art. 25, Règlement) was proved to be valueless in the World War is also open to challenge. The prohibition was not operative for the reason that non-contracting Powers were among the belligerents engaged.

The book contains a useful bibliography (in which, however, Sir F. H. Sykes, correctly so referred to in the text, appears in the Dickensian disguise of "Sir William Sykes") and an index which is strangely selective and even capricious in its omissions and inclusions. The book, being a Macmillan publication, is of course admirably produced.

J. M. SPAIGHT.

15. PEACE WITH HONOUR. By A. A. Milne. 1934. (London: Methuen. 8vo. 214 pp. 5*s*.)

THIS little book is written with so much charm and conviction that it seems cruel to label it as ineffective. Mr. Milne starts from the position of the Outlawry of War school in the United States—that "war is the ultimate expression of man's wickedness and man's silliness"—and arrives at the same conclusion as they, namely, that war must be "renounced." But to the question what he proposes to *do* if, after war has been renounced (as it has been in the Kellogg Pact), some State should nevertheless have recourse to it, he has no answer, except that we must all take certain risks. He considers, however, that such a contingency is "morally impossible." The fact is, of course, that such conduct is morally impossible on the part of some States (Sweden, for instance), but not of others. But Mr. Milne is precluded from getting to grips with the problem thus opened up by his impatience with statesmen in general and by his very British inclination to picture the rest of the world in his own delightful and gentlemanly image.

A. Z.

## ECONOMIC AND FINANCIAL

16*. THE FUTURE OF MONETARY POLICY. A Report on International Monetary Problems by a Group of Members of the Royal Institute of International Affairs. 1935. (Oxford University Press. Royal 8vo. xii + 220 pp. 10*s*. 6*d*. To members of the Institute 7*s*.)

THIS is the second and final report of the Chatham House Study Group on International Monetary Problems. Their first report, published in May 1933, was an objective summary of the different and conflicting theories of monetary policy with reference to the depression; in the present volume the members of the Group declare themselves

"prepared to indicate in what directions their own conclusions lie, and not merely to compare and assess the opinions of others." This is not, however, an entirely accurate description of the book; out of over two hundred pages, only twenty-eight are devoted to the section entitled "Problems of Policy." The remainder of the book is a discussion of some of the theoretical and practical problems involved, which, though it reaches conclusions on what should be done, is written in the tone of the academic analyst rather than that of the formulator of programmes. This does not, of course, detract from the very considerable merit of the volume, but makes it more likely to be of value to the student seeking for enlightenment than to the politician looking for a policy.

It is inevitable in a document of this nature that compromise should play a large part in its composition. Here and there the efforts at mediation have broken down. The majority of the Study Group, though they favour an ultimate return to an international currency system, believe that "conditions are unfavourable for the attempt" to restore the gold standard in the immediate future, "and are likely to remain unfavourable." But the Chairman, Sir Charles Addis, and two other members disagree, and regard the restoration of a freely functioning international gold standard as the only method of securing progress. Again, on the question of the advisability of a large programme of public works in the present circumstances of Great Britain, the Group is unable to agree or even to produce a majority opinion, and has to content itself with setting out three divergent views, together with the somewhat empty conclusion that "subject to this divergence of emphasis the Group are agreed in supporting an expansionist policy involving some rise in the price level." Since these two questions are the most important ones of immediate policy for Great Britain, it is to be regretted that the Group was unable to find a greater community of views and somewhat more precision in its recommendations.

Apart from these major disagreements, however, the chief impression which the book makes is one of the widening field of agreement in economic and monetary matters. On many questions the opposing schools of thought of one or two decades ago are now finding it possible to meet on common ground. This can be illustrated in several ways. Before the War the idea of any conflict of interest in the monetary sphere between the world at large and the individual national economy had barely emerged. The spread of protection was, of course, preaching a similar idea in the economic sphere, but even the protectionists never argued for "currency autarky." Immediately after the War, there were two opposing views: the "managed currency" school, seeking independence of the national currency with freely fluctuating exchanges, and the other advocating an international gold standard as rigid as before the War.

To-day, both these extreme views have been softened by experience, and though agreement on immediate policy cannot yet be reached, it is possible for a body of economists to agree that the dilemma of stable exchanges or stable prices can be greatly exaggerated. "To put the two as absolute alternatives is not merely exaggeration; it is untrue." The problem of preserving continuity of values is a double one; it involves balanced conditions at home *and* stable international relationships. The ultimate solution can therefore only be a world-wide one, and in the meantime the two schools of thought are not in contradiction to each other but merely alternative approaches to the

same ideal. This is undoubtedly the right way of looking at the matter; and a great deal of fruitless controversy will be avoided if it can be adopted as the common starting-point for future research into the means of reconciling national and international needs in the necessarily painful interim period until a truly international system of monetary management can be devised.

The Group takes a similarly eclectic attitude to many other problems which have stirred up battles in the past. It is in no doubt, for example, of the economic benefits of international specialisation with a free exchange of goods and capital between nations. But at the same time it points out the delicate position (usually ignored by Free Traders) of the country which is led by the international division of labour to specialise on one product. To ask Chile to live on her nitrate alone is equivalent, the Report says, to "suggesting to a man that, if he takes a particular line of action, he may be and his fellows certainly will be richer, though there is a considerable risk that he and his family will starve."

Again, on a rather more technical point, the majority of the Group find a middle course between those who, believing depressions to be primarily monetary in origin, would solve them by a rigid insistence on the stabilisation of wholesale prices, and those who are more impressed with the evidence of non-monetary dislocation and sceptical of the virtues of price stabilisation. The compromise here is in two parts: first, the task of monetary policy is to stabilise not prices but the relation between prices and costs, so that industry is neither stimulated by excessive profits nor depressed by the emergence of losses; and secondly, since occasional minor recessions are needed to maintain a due "proportion" of balance in the economic machine, monetary policy should concentrate on preventing these "primary depressions" from developing into "secondary depressions," which are pure economic waste. This compromise is not perhaps as likely to win universal assent as the reconciliation between the "managed currency" and the gold standard. But it is nevertheless praiseworthy as an attempt to build a solid foundation from which further inquiry can proceed.

W. T. LAYTON.

17. TREASURIES AND CENTRAL BANKS. By David William Dodwell. With a Foreword by Sir Basil P. Blackett, K.C.B., K.C.S.I. 1934. (London: P. S. King. 8vo. xiv + 218 pp. 10*s.* 6*d.*)

A BOOK on the relation between Governments and Central Banks is opportune, for at the present time much that is unusual is happening in this sphere and it is useful that the background of historical development should be presented by a qualified hand. Mr. Dodwell's book was written as a doctoral dissertation at Columbia University during his tenure of a Commonwealth Fund Fellowship, and one may cordially agree with Sir Basil Blackett, who contributes a foreword, that Mr. Dodwell has made good use of the opportunity afforded to him.

The main body of this book is concerned with describing the relations that have grown up over an extended period between the British Government and the Bank of England and between the United States Government and the American banking system. This task has entailed extensive research and there are few who, when they have read Mr. Dodwell's book, will not feel that they have added greatly to their knowledge of past financial history, which naturally plays an important part in this book.

In the case of the United Kingdom the reader is carried from the

study of the early days of the Exchequer System, which preceded the creation of the Bank of England, down to the present time when the rôle of the Central Bank, as the authority in control of credit, has achieved a significance of which the founders of the Bank had no conception. The growth of the position and authority of the Bank is traced through its various stages, concluding with the views of the Macmillan Committee, which is the last official inquiry into the British monetary system.

In the case of the United States, Mr. Dodwell divides his study into two parts, the first covering the period prior to the creation of the Federal Reserve system in 1913 and the second representing, in fact, the history of that system. Here again the book is thoroughly up to date, including an account of the changes which have been introduced under President Roosevelt.

Mr. Dodwell points out that since the suspension of the gold standard in the United Kingdom "sterling has been a managed standard with Government in more or less direct control," and that "the United States Treasury is now acting as a Central Bank." The position of Central Bankers in both countries to-day is not an enviable one, and their normal functions are in a state of abeyance. While the future course of development is obscure, Mr. Dodwell holds that it is for the United States and the United Kingdom to show the way towards the true solution of the leading problems of Central Banking, which on the national side cover the relations between Bank and State, and on the international side cover the relations between Central Banks themselves. In this connection a few remarks may be permitted with reference to Mr. Dodwell's attitude to the vexed question of the relation between the Bank of England and the State. He observes (p. 107): "The nationalisation of the Bank of England would be, of course, in no way revolutionary." This is a view which many will be unable to accept. Mr. Dodwell's opinion is apparently based on the view that there is a necessity for close cooperation between a Government and the Central Bank and that nationalisation "would be mainly a change of form." While it may be admitted that the nationalisation of commercial banking raises considerations different from those affecting a Central Bank, nationalisation of the latter would imply the acceptance of a dangerous principle and would involve risks in practice which have hitherto been avoided. However much the position might be safeguarded it is difficult to see by what means it would be possible to protect a nationalised Central Bank from becoming involved in undesirable political controversy, while the Government would be deprived of the advantage which it at present enjoys of completely independent advice in a realm where mistakes may be fraught with the most serious consequences. The fact that Mr. Dodwell's book raises debateable matters of this kind gives it an additional interest. C. H. KISCH.

18. CONCENTRATION OF BANKING: the Changing Structure and Control of Banking in the United States. By J. M. Chapman. 1934. (New York: Columbia University Press; London: Humphrey Milford. 8vo. xvi + 388 pp. 25s.)

19. THE BANKING CRISIS: the End of an Epoch. By Marcus Nadler and Julius Irwin Bogen. 1934. (London: Allen and Unwin. 8vo. ix + 210 pp. 6s.)

THE part which the American banking system and American bank management have taken in intensifying and aggravating the economic

depression has, to date, not received the attention it merits. In their respective ways, therefore, these two books are to be welcomed. The first is a scholarly and detailed work which describes with the aid of superabundant tables and graphs the history of branch banking and of bank mergers in the United States. We are shown that there is, historically, nothing essentially un-American about branch banking, which was, in fact, common before the Civil War. However, the Act under which national banks were established in 1863 virtually made unit banking the practice of the country until a ruling more favourable to branch banking was given by the Comptroller of the Currency in 1922 and by the McFadden Bill in 1927. Nevertheless, it remains the fact that, except in California and in a dozen large cities throughout the country, branch banking is non-existent in the United States. The Federal Reserve banks were created in 1913, but still, as Mr. Chapman says: " It must be evident that there is something fundamentally wrong with any banking system in which more than 11,125 banks fail during a period of twelve years." In spite of many mergers there are to-day far too many small independent banks in America, and it is to be expected that in the inevitably slow process of developing a strong, and at the same time efficient, system of deposit banking, Mr. Chapman's admirable and impartial survey of the past will prove valuable. Its present value might, one feels, have been increased if Mr. Chapman had developed the critical side of his study, especially in regard to such recent legislation as the Glass Steagall Act of 1933. It is certainly remarkable that in America the depression should have brought about not only depreciation of the currency, but a banking collapse as well. The task of reopening the banks was effectively dealt with by the liberal provision of currency through the Federal System; hoarding ceased. Subsequent legislation was passed for the mutual guarantee of deposits which has allayed the fears of the public, but the golden opportunity which then existed for a radical reform of the country banking system was lost. Mr. Chapman predicts that there will be further bank mergers. It would be interesting to have his ideas upon the steps which the Administration should take to establish branch banking and what regional basis should be chosen. In banking, as in other spheres, sectionalism and the autonomy of the States must continue to yield to Federal authority.

*The Banking Crisis* is frankly a popular book, which relates briefly and clearly the events leading up to the banking collapse, and of expedients taken to prevent it—the National Credit Corporation, the Reconstruction Finance Corporation, open-market operations, Home Loan Banks, the banking holiday. In the preface the authors undertake to answer the specific question as to whether the collapse was inevitable, but, except for a few pages here and there of criticism of the unit banking system and bad administration, the succeeding pages are exclusively devoted to narrative. G. MITCHELL.

20*. GERMAN BUSINESS CYCLES, 1924–1933. By Carl T. Schmidt. 1934. (New York: National Bureau of Economic Research. 8vo. 283 pp. Charts, tables. $2.50.)

THE main part of this work is a statistical study of the course of business in Germany since the stabilisation of the currency. The immediate object of the author has been to ascertain the extent to which the data conform to a cyclical pattern, and to compare the post-inflation cycles with those of the pre-War period.

Beginning with depression at the time of stabilisation, the figures show two complete cycles; first, a short one ending in the depression of the spring of 1926, and then a long one extending to 1932. (It is interesting to notice the evidence of recovery setting in from the middle of the latter year.) The cycles are fairly clearly defined, despite an irregular movement in 1924 and some difficulty in fixing the peak in 1928–1929. The amplitude of the second cycle was exceptionally large, judged by pre-War standards. Throughout the German economy was dominated by international capital movements—the flow of capital to Germany, now fast, now slow; the check to the flow, and then its reversal. Thus Germany was peculiarly sensitive to the state of the capital market abroad and to developments in international politics.

The statistical picture presented here should make this book very useful as a work of reference. Some critics may complain that the more statistical parts of the work are somewhat bare of interpretation. To that it could at least be replied that the material is here for other economists to interpret. A more serious criticism which must be made is that such explanation and interpretation as is offered is by no means satisfying. On the general causes of cyclical fluctuations, we have vague references to economic rhythms, suggestions of a very crude " repercussion " theory, and a hint of insufficiency of purchasing power. But little attempt is made to determine how far the upswings were characterised by a misdirection of productive resources; nor does the writer clearly face the fundamental question, whether variations in the inflow of foreign capital must not inevitably lead to industrial dislocation. For light on the latter point it would have been more useful if comparisons had been made not with pre-War Germany but with the experience of other countries which have been the scene of intermittent large-scale foreign investment. But that perhaps is the subject for another book. P. BARRETT WHALE.

21. DOLLARS. By Lionel D. Edie. 1934. (New Haven: Yale University Press; London: Humphrey Milford. 8vo. 293 pp. 11s. 6d.)

THIS is a wise book, all the more important because it is written so simply that any serious-minded person, though knowing comparatively little about currency questions, should be able to appreciate it. Mr. Edie sees the monetary problem objectively, and if he is strongly critical of the " old deal " he is fully aware of the dangers of the New. He faces and answers the question, what should be done, roughly as follows:

1. We want a reconstructed gold standard, but not the old gold standard. The financial structure must be protected from violent fluctuations in the demand for gold and the consequent deflationary pressure. " At least for the time being, and perhaps permanently, it is desirable that central banks should be the only institutions authorised to buy gold for a monetary purpose."

2. Bimetallism is undesirable, but a stabilisation of the price of silver would be of practical value, since it would give stable exchanges to the silver currency countries.

3. International cooperation is needed to restrict international movements of " bad-money."

4. Exchange rates must be fixed at equilibrium levels; these can only be discovered by experiment, which may take " a period of years."

5. " The Central Banks should definitely acknowledge responsibility for preventing excessive fluctuations in the world price level." (How successful they may be is uncertain, but Mr. Edie maintains that they could certainly " prevent any such drastic fluctuations as we have had in recent years.")

6. The objective should be to combine both internal and external stability, and not to sacrifice the one to the other.

7. Central banks should adopt "the principle of coordinating the expansion of credit with the long-term trend of growth of physical volume of production and trade."

8. "A drain of gold from a given country should be recognised as a symptom of disequilibrium, and more intelligent international book-keeping should be developed, to the end that a country suffering the drain may be able to apply fundamental correctives to the causes of the disequilibrium. Furthermore, the United States, in conjunction with other countries, should not trust to the automatic gold standard as the sole determinant of the volume of bank deposits and currency appropriate for a country, but should develop criteria for deliberate policy in regulating such volume. The criteria should include not merely reserve ratios but price indices, rates of growth of production, and speculative movements."

9. "In endeavouring to operate under a new monetary standard the United States should look not merely to the price index as a mathematical average but also as an internal structure. It will be particularly necessary to give direction to the ratio between agricultural prices and non-agricultural prices for the purpose of maintaining a reasonable degree of balance within the price structure and maintaining a continuous flow of purchasing power within the domestic market."

Further, Mr. Edie has some more remarks on the task of organising the shift from "artificial stimulation" (a necessary restorative) to "self-sustaining forces" (*i.e.* the normal functioning of the capital *goods industries) as events develop in the United States. It is* interesting to note that he does not want the 1926 price-level back in the United States; he suggests a price-level midway between that of to-day and that of 1926. Incidentally, he has some very suggestive observations on the actual form which credit inflation took before 1929.

This is a book full of sane and lucid ideas—a book to be read not merely by Presidents and their advisers, but by anyone who wants to keep abreast with rational thought on current affairs. English readers should not be put off by the title. The book deals with the world problem, and not just with the intricacies of American banking, and many might well think over a sentence from its pages: "The task of reconstruction can best be accomplished in a spirit which steers between the extreme schools of thought." A. T. K. GRANT.

22. MONEY, FOREIGN TRADE AND EXCHANGE. By H. J. Welch. 1934. (London: Allen and Unwin. 8vo. 158 pp. 4*s*. 6*d*.)

Mr. Welch's conclusions are as follows:—

First, securities and bills, and not gold, should be the backing for currency notes;

Second, that monetary policy should be conducted in relation to internal requirements, and without regard to international finance or to gold reserves;

Third, that steps should be taken to minimise short or long-term international investments, unless

Fourth, such investment represents either long-term lending for the creation of economic assets in the borrowing country, or short-term lending necessary for actual trading operations;

Fifth, that the Exchange Equalisation Fund should continue to try and smooth out exchange fluctuations, but should not seek to acquire large stocks of gold;

Sixth, that the possibility should be considered of a separate "Exchange Bank of England" to manage the Account; it should issue regular information as to its activities;

Seventh, that—temporary fluctuations apart—currencies should be permitted to find their natural level;

Eighth, that the notion that a creditor country benefits from a "favourable balance of trade" is complete nonsense, and should be recognised as such;

Ninth, that Britain should not return to any gold standard, and that if it does it should be on more flexible conditions than in the past.

A. T. K. G.

*. De betrekkingen tusschen banken en industrie in Frankrijk. Banks and Industry in France. [*Nederlandsch Economisch Instituut*, 8.] By A. Treep. 1934. (Haarlem: de erven F. Bohn. 8vo. xi + 361 pp., + 10 pp. of English and French synopses.)

A survey of French banking in its relations with industry from the middle of the nineteenth century up to the present day.

*. Internationaler Schutz von Anleihegläubigern. By Martin Domke. 1934. (Wien: Manz. 8vo. 59 pp.)

The author reviews the existing means of protection for foreign bondholders, and argues that some form of international protection by agreement is necessary. He considers that the best solution would be to give the Permanent Court of International Justice power to adjudicate in cases of default.

*. Plan We Must: the transition to national planning. By John Stanfield. 1934. (London: Hamilton. 8vo. 174 pp. 3s. 6*d*.)

The thesis of this book is that only by the establishment of "planned economy" can the liberties enjoyed to-day in England, France and America be preserved, and political revolutions avoided. Economic disorders lie at the root of the present mass discontent which finds an outlet in the desire for a belief in violence. National planning, though it will not settle all the economic problems of the world to-day, is the next stage in historical development and offers the most reasonable hope for the future.

Credit and International Trade. By Barnard Ellinger, C.B.E. 1934. (London: Macmillan. 8vo. xvii + 189 pp. 8s. 6*d*.)

Mr Ellinger's book describes in detail the methods by which trade is financed It starts with raw cotton grown in the United States, and carries the story through to the final sale of finished goods in China. Illustrations of Credit Instruments add to the interest of the book. This is an illuminating account of the technique by which international trade is carried on. A. T. K. G.

## LAW AND LEAGUE OF NATIONS

*. The Permanent Court of International Justice: a Treatise. By Manley O. Hudson. 1934. (New York and London: Macmillan. 8vo. xxvii + 731 pp. 21s.)

This is a welcome addition to the large and growing literature of e Permanent Court. Professor Hudson of Harvard is one of the ading authorities on the subject, and he has done more, perhaps, than ıy American, unless it be Mr. Elihu Root, to make the true facts ›out the Court known to his countrymen and Government, and to duce them to give it their adhesion and support.

The book is of wide scope. It begins with a survey of international bitration in the nineteenth century and the early years of the twentieth ntury, including a rapid but useful description of all the cases dealt ith by the Permanent Court of Arbitration, and a most interesting :count of the little known Central American Court of Justice. The story of the precursors of the Permanent Court of International ıstice is completed by a study of the abortive proposals for the creaon of an International Prize Court and a Court of Arbitral Justice . the Hague Conference of 1907. Having thus shown how the new ıstitution has its roots in the past the author proceeds to examine

in detail the history of the creation of the Court itself. A full account is given of all the proposals relating to the Court at the Peace Conference as well as of the various steps taken by the League of Nations and its committees in formulating and adopting the Statute of the Court, and this is followed by a description and discussion of the revision of the Statute in 1929 and the efforts made to secure American accession in 1926 and 1929. If there is any criticism to be made it is perhaps that the chapter devoted to the drafting of the Statute, in which each article of that document is considered with reference to its origin, hardly contains sufficient important material to justify the space devoted to it. But even this chapter will be useful for purposes of reference.

The third part of the book is devoted to the organisation of the Court in all its aspects: election of Judges, Rules of Court, finances, sessions, etc. Then follow the important subjects of jurisdiction, practice and procedure, and the law applicable by the Court. On all these matters Professor Hudson writes with the authority and scholarship one expects of him. Controversial or difficult questions involved in the constitution of the Court are discussed, always in an objective spirit and with reference to the material upon which the answer depends. With regard to the law applied by the Court in the cases adjudicated upon the book is not so complete as in other respects, but there is an admirable chapter upon one very important aspect of this subject, namely, the Court's interpretation of international engagements. The appendices contain the text of the constitutional documents, and the Revision and American Accession Protocols, in French and English, the Rules of Court as revised in 1931, the text of all the declarations so far made under the Optional Clause, and other material relating to the registry, personnel, and publications of the Court.

ALEXANDER P. FACHIRI.

28*. NATIONALITY AND THE PEACE TREATIES. By W. O'S. Molony. 1934. (London: Allen and Unwin. 8vo. 278 pp. 7*s.* 6*d.*)

WHEN, at the close of the World War, large transfers of territory were made from the defeated Powers to the new or enlarged States, provisions were inserted in the relevant Peace and Minority Treaties regarding the nationality of the transferred populations. For reasons difficult to ascertain, no single general principle was applied, but in some cases the criterion of birth was used, in others of habitual residence, in others again of "pertinenza," or legal establishment in a commune, etc. As most of the treaties were obscure, and nearly all conflicted with one another, a tangle resulted through which few could find their way, and many scores of persons in Central and Eastern Europe found themselves in possession of dual nationality, contested nationality or no nationality at all. The matter has been made worse by the legislation subsequently enacted in several States which does not even follow the provisions of the Treaties.

Mr. Molony's book, the fruit of several years of study during his tenure of a post in the Minorities Section of the League of Nations, is the first essay of any length to appear on the subject in English, and surveys the ground very completely. All the important provisions of the various treaties and laws are adduced, and there are besides interesting chapters on the position of the League of Nations in relation to the problem, the activities of various voluntary societies, etc. His book is thus indispensable to all students of the problem; although it

cannot be denied that a little rearrangement, at least to the extent of explaining technical terms the first time that they are used, instead of much later, or not at all, would have made it much easier to follow; as would the omission of a certain amount of matter, particularly in the earlier stages, not strictly relevant to the subject. Nevertheless, if his book succeeds in awakening interest in the problem, and some comprehension of its complexities, it will not have been written in vain.

Croatia-Slavonia is miswritten throughout (except in one quotation) as Croatia-Slovenia. C. A. M.

29*. THE LEAGUE OF NATIONS AND THE RECOGNITION OF STATES. By Malbone W. Graham. 1933. (University of California Press; London: Cambridge University Press. 8vo. 79 pp. 3*s*. 3*d*.)

THE problem of recognition of States presented itself acutely during the years immediately following the conclusion of the Great War and many divergent views were then propounded as to the conditions of admission to membership of the League of Nations. In the end, the Assembly rallied to the doctrine advanced by Dr. Alejandro Alvarez, the distinguished Chilean jurist, that it was not necessary for a State to be recognised by all the other States either *de facto* or *de jure* before it could be admitted into the League. Recognition of a State by the League was in itself sufficient and it, moreover, carried with it recognition by all the other States members of the League. The affirmative action of the Assembly on this point in 1921 established two general principles which have since been adhered to: (1) that the result of admission to the League implied automatic recognition and that (2) the Assembly enjoyed the right and power to recognise a State without the necessity of preliminary recognition on the part of the Great Powers. The present monograph contains an account of the events connected with the question of recognition from the earliest proposals at the Paris Peace Conference of 1919 up to the final elaboration of the doctrine by the Thirteenth Assembly of the League in 1932, when 'Iraq was admitted. It also comprises a very interesting examination of the various interpretations placed on the action of the League by leading jurists and publicists. C. JOHN COLOMBOS.

30*. WHERE THE LEAGUE OF NATIONS STANDS TO-DAY. By Quincy Wright. 1934. (Minneapolis: University of Minneapolis Press. 8vo. 25 pp. 25*c*.)

One of a series of four lectures delivered at the University of Minnesota during "International Affairs Week" in the summer of 1934. It summarises the League's present position, and suggests reforms which would, the author thinks, increase its prestige.

31. FOLKERETTENI FREDSTID OG KRIGSTID, ANDEN DEL, II. KRIG OG NEUTRALITET. By Axel Møller. 1934. (Copenhagen: G. E. C. Gads Forlag. 8vo. v + 220 pp. 7*kr*. 75.)

The first volume of this Treatise has already been noticed in the July 1934 number of *International Affairs*. This is the second part of the second volume and sets out the generally accepted doctrines of War and Neutrality. The first part of the second volume is ready for publication (Forord). The Treatise is a welcome addition to the Scandinavian literature on Public International Law and will be a reliable guide for the student. V. R. I.

32. TENDENZE COSTITUZIONALI. By Amedeo Giannini. [*Istituto nazionale fascista di Cultura - Studi Juridici e Storici.*] 1933. (Bologna: Zanichelli. 8vo. 283 pp. *Lire* 15.)

The author has collected in this book his essays on different questions of constitutional law previously published in different periodicals. He endeavours to formulate tendencies of modern constitutional evolution without waiting until the new edifice has been completed (Preface, p. vii). The views of the author on the Italian constitution are of great interest (*e.g.* at p. 23). V. R. I.

33*. DER BEGRIFF "MILITÄRFAHRZEUG" IM LUFTRECHT. By Erwin Riesch. [*Völkerrechtsfragen,* 42. Heft.] 1934. (Berlin: Dümmler. 8vo. 100 pp. *Rm.* 6.)

A study of the practical difficulties involved in classifying military aircraft for the purposes of air law, illustrated by concrete examples. The author deals briefly with the various conceptions of military aircraft in treaties, conferences, etc., and considers that more useful definitions would have been arrived at if there had been more representatives with a practical knowledge of flying and construction on the drafting committees, and fewer jurists. The definition which he himself proposes is the following: "Every aeroplane which is attached to the defence forces is a military aeroplane" ("Jedes dem Dienste der Wehrmacht zugeteilte Luftfahrzeug ist ein Militärluftfahrzeug"), with the addition of the following proviso: "Every military aeroplane which is being flown must carry fixed national badges, which can be easily recognised from outside" ("Jedes in Betrieb befindliche Militärluftfahrzeug hat feste und von aussen leicht erkennbare Hoheitszeichen zu fuhren").

34*. THE LEGAL PROCESS AND INTERNATIONAL ORDER. By H. Kelsen. 1934. (*New Commonwealth Research Bureau Publications. Series A, No.* 1.) (London: The New Commonwealth, Thorney House, Smith Square, S.W.1. 8vo. 27 pp.)

The author, Professor of International Law at the Institut Universitaire de Hautes Études Internationales in Geneva, argues that the elimination of war and similar acts of coercion can only come about through the institution of an international executive power to carry out the judgments of an International Court.

## PRE-WAR HISTORY

35*. LA CRISE EUROPÉENNE ET LA GRANDE GUERRE (1904–1918). By Pierre Renouvin. [*Peuples et Civilisations: Histoire Générale, Vol. XIX.*] 1934. (Paris: Félix Alcan. 8vo. 639 pp. 60 *frs.*)

SINCE the publication of his *Origines Immédiates de la Guerre* Professor Renouvin has been generally acknowledged as the chief French expert on the origins of the War, and his latest work displays the same admirable qualities of steadiness and solidity. Though he fought and was wounded in the struggle, there is no trace in these pages of passion or polemical purpose. As far as a man of flesh and blood can do so, he stands above the battle. Some of his readers indeed may wish for a few more personal judgments. He writes throughout as an historian fully conscious of his responsibilities. That he has mastered the whole printed material goes without saying, and even specialists can learn from his rich bibliographical notes in many languages.

It may have been the wish of the editors of the series rather than the author that only one-third of the massive volume of 600 pages should be given to the last decade of peace, and the remaining two-

thirds to the four years of war. This distribution of space renders the book a little lopsided, but no complaint can be made of the use to which this limited opportunity is put. The States and their relations at the opening of the century are clearly sketched, with special attention to the crises which preceded the catastrophe. Democracy, he reminds us, was forging ahead all over the world, but diplomacy for the most part eluded its control. There are no revelations in this brief record, and the author declares himself as ignorant as the rest of us as to the grounds of Delcassé's belief in 1905 that he could count on the landing of a British force of 100,000 men in Slesvig-Holstein in the event of a Franco-German war. The pages on the outbreak of war in 1914 repeat the arguments of his well-known book. The main responsibility is placed squarely on the Central Powers, who decided to punish Serbia, while refusing every compromise and concession. "They knew the risk and took it, resolved to impose their will even at the price of a war."

The detailed account of the struggle falls into two parts, the second of which opens with the intervention of the United States. The author avoids the temptation to make his story complete, and concentrates on outstanding events such as the battles of the Marne and Verdun. Joffre was in no way a military genius, but at the supreme moment he kept his nerve, which Moltke failed to do. "La victoire de la Marne est une victoire du commandement." With the entry of the United States the fate of the War was decided; for even had the German offensive of 1918 been more successful, it would merely have postponed the victory of the Allies. The curtain falls when the armistice is signed, and a few pages of sober reflections conclude the work. The military victory was won, but the factors of a good peace—wide views, foresight, a sense of economic realities—were lacking. Public opinion, hot from the contest, would have vetoed the sacrifice of national interests, even had the governments been willing to make them. Professor Renouvin is to be congratulated on his detached serenity. He is a good Frenchman, but he is also a thoughtful citizen of the world. G. P. GOOCH.

36. TRIPLE ALLIANCE AND TRIPLE ENTENTE. By Bernadotte E. Schmitt. [*Berkshire Studies in European History*.] 1934. (New York: Henry Holt. 8vo. viii + 131 pp. $1.00.)

THE series to which this volume belongs is intended for college students in the United States. Professor Schmitt presents an outline of European history from 1871 to 1914, laying most stress on the formation and interaction of the two rival alliances. His account is written with commendable calmness, though he criticises Germany's actions more severely than those of the Habsburg and Romanov Empires. He maintains the proportions of his book by avoiding a detailed analysis of the July 1914 crisis. There is a useful bibliography at the end.

The author lays the responsibility for the War less on any individual nation or group than on the whole system of alliances, under which each side was always seeking, by exercise of bluff, to score a diplomatic victory over the other. In addition, the militarisation of Europe had, by 1914, reached a point where the calling of the opponent's bluff (by mobilisation) inevitably led to war. Professor Schmitt shows how both these developments may be traced back to the policy and tradition of Prince Bismarck. J. GUEST.

37*. DE TRIPLE-ENTENTE : de internationale verhoudingen van 1902 tot 1909. By J. B. Manger, Jr., for the Nederlandsch Comité tot Onderzoek van de Oorzaken van den Wereldoorlog. 1934. (Utrecht : Kemink. 8vo. ii + 246 pp.)

The earlier volumes in this series we.e N. Japikse's *Europa en Bismarcks Vredespolitiek . . . 1870–1890* and J. S. Bartstra's *Twaalf Jaren "Vrije-Hands"-Politiek . . . 1890–1902*. It is based on the official diplomatic records, and deals shortly and objectively with the founding of the Entente Cordiale and the Triple Alliance, and with the progressive isolation of Germany up to the Bosnian Crisis.

## BRITISH COMMONWEALTH OF NATIONS

38*. THE IRISH FREE STATE : ITS GOVERNMENT AND POLITICS. By Nicholas Mansergh. 1934. (London : Allen and Unwin. 8vo. 344 pp. 12*s.* 6*d.*)

THIS book, by a young Irish student of political science, contains an accurate and critical analysis of government in the Irish Free State, its principles, structure, philosophy and direction. It discusses clearly and impartially not only the failure of the Treaty settlement but also the electoral system, the legislature, the increase of executive power and the remarkable growth of administrative law and justice. Such a book has long been wanted, for Dr. Kohn's comprehensive and brilliant work on the Free State Constitution, the only previous survey of the subject, was published in 1932 and was primarily concerned with the legal aspect of the matter. As Mr. Adams, Warden of All Souls, Oxford, points out in a foreword, the only direction in Anglo-Irish relations worth exploring is the way of good understanding and friendship between the respective peoples, which depends mainly on the growth of mutual confidence and cooperation between North and South in Ireland. But first we have to "Know ourselves," and to that end this book will help materially, for it discusses every aspect of Irish government with fullness and understanding. No one who desires to follow the present developments in the Free State, or the reasons for the acute differences between the British and Irish Governments, can do without it, for he will find in its pages a complete and dispassionate examination of the matters at issue.

The controversy about the Treaty raises, as Mr. Mansergh points out, two questions. The first, whether the Irish Republic, which in Ireland is considered to have been one of the parties to that document, was an international entity and would therefore come into existence again were the Treaty abrogated ; the second, whether treaties made between members of the British Commonwealth are international or domestic documents. An ultimate solution of these issues has not yet been attained. The settlement with the Irish Free State was, in fact, a treaty of peace between two nations, and not the mere creation of a Dominion. The recognition of this fact in Ireland and its non-recognition in England are largely responsible for much that has taken place since. The notion of the Kingdom of Ireland, which inspired the policy of Kevin O'Higgins, and might well have been brought to fruition had he lived, was the conception of a statesman who placed the unity of Ireland above a narrow allegiance to doctrinaire republicanism ; but we cannot agree with Mr. Mansergh that this notion approaches closely to Mr. de Valera's idea of "external association," which differs in no way from an ordinary international alliance, and refuses to recognise allegiance to a common King. Under Mr. de Valera the office

of Governor-General has become already only the mere formal embodiment of executive power, and in effect he is both President of the State and Prime Minister.

Mr. Mansergh points out clearly the difference between the Irish Free State and the other Dominions, which is that Ireland advanced to self-government not by evolution but by revolution. The book is full of wise and interesting reflections on Irish political life and machinery. He notes that the Irish people emphasise personal leadership, and that Irish political life tends to produce pre-eminent but rarely eminent men. Personality is inevitably placed before programme, and a general election is in reality a presidential election. So Proportional Representation, which elsewhere has led to the creation of many small parties, whilst it has in the Free State given to minorities seats proportional to their votes and has prevented exaggerated majorities, has not prevented personal leadership from largely obliterating political principles and consolidating the position of the two big parties at the expense of the smaller groups. The cleavage of opinion on the Treaty which agitated the Free State for the first ten years was not a social issue. Members of all classes were to be found on both sides. But the social programme of the Fianna Fail party, with its rare combination of a revolutionary objective with a conservative appeal, has tended to create a new situation as regards economic and social questions, in which the wealthier classes are bound to suffer, and which may in time lead to an entirely new economic and political situation.

Mr. Mansergh, as befits a student, takes a detached and impartial view of the Irish scene, and does not hesitate to point out the mistakes of the Cosgrave government, as, for instance, their prevention of an appeal to a referendum on the oath question in 1928. How far we have abandoned the continental models which inspired the drafting of the Constitution and reverted to British procedure and practice is made clear, and its results in strengthening the position of the executive are fully explained. The British Commonwealth of to-day, as Mr. Mansergh points out, is a remarkable product of the political thought of a great Irish statesman, Burke, and it is somewhat strange to find that the present differences between Ireland and England arise in great part from the fact that Irish political thought since 1916 has tended to draw its inspiration from Rousseau rather than from Burke, an inspiration directly opposed to the main current of English thought. That is why negotiation and agreement between the two countries proved and still prove so difficult. They speak in different political languages.

For this reason and many others this book cannot fail to be of great interest to all students of modern political development. It does not deal with the present position of the Irish language in regard to the State, which indeed has ceased to be a language and become a profitable but uneconomic industry, nor does it explain in any detail the attitude of the Irish Republican Army and its various Communistic by-products, which are more important than their numbers warrant. It is, however, well arranged and fully documented; a credit to Oxford teaching and methods. JOHN J. HORGAN.

39. THE MARITIMES AND CANADA BEFORE CONFEDERATION. By William Menzies Whitelaw. 1934. (London and Toronto: Oxford University Press. 8vo. xi + 328 pp. 12*s*. 6*d*.)

IN 1864 delegates from each of the Maritime Provinces of British North America met at Charlottetown to consider the project of a

legislative union between them. In the same year, the movement for a larger but looser federal association came to a head in Canada. Canadian delegates were granted permission to attend the Charlottetown Conference, and as a result the narrower movement was swept into the broader one. The sequel to the Charlottetown Conference was the Quebec Conference in the following month, where the foundation of the constitution of the future Dominion was laid in seventy-two resolutions.

To neither conference was the Press admitted, and the historian's knowledge of both—but particularly of the first—is exceedingly scanty. Professor Whitelaw "felt lured to try to open those fast-closed doors." It is, however, by his study of the previous decade, set in the background of the historical geography of the Provinces, that he finds his chief clues. In this study he works a good deal of new ground very thoroughly, drawing fully on British and Canadian archives. Secretaries of State, Governors and Colonial Statesmen are shown struggling with problems of considerable importance: A Maritime Union or a wider Federation? Maritime Union as a preliminary to Federation or as an antidote to it? Are policies of economic cooperation—tariffs and an intercolonial railway—to precede a political agreement or follow it? Can union for defence precede political union? In the course of the narrative two things stand out—the tardy recognition by the Colonial Office that a wide federation will serve rather than endanger the Imperial connection; and the intense particularism of the separate Maritime Provinces. In the end, they found Federation with the Canadas easier to achieve than Union between themselves alone.

W. K. HANCOCK.

40*. THE FIRST WORKERS' GOVERNMENT. By G. R. Mitchison. 1934. (London: Gollancz. 8vo. 528 pp. 5s.)

41*. LABOUR'S FOREIGN POLICY: proposals for discussion put forward by the International section of the Bureau under Leonard Woolf. 1934. (London: New Fabian Research Bureau and Gollancz. 8vo. 26 pp. 6*d*.)

42*. BRITAIN'S POLITICAL FUTURE. By Lord Allen of Hurtwood. 1934. (London: Longmans. Demy 8vo. xiv + 192 pp. 6*s*.)

THIS group of treatises is far beyond the average in importance, giving as it does, from different standpoints, a comprehensive account of the British Labour Party's programme and philosophy. For Mr. Mitchison's book, indeed, the publishers claim "immediate political significance of the first order"; and Lord Allen's essay has special value in aiming at a transition from Capitalism to Socialism by a technique of reason which will eliminate the risks of class-warfare. All three writers are distinctly constructive in their outlook, and their labours will provide formidable material for the next General Election.

Mr. Mitchison has accomplished a real *tour de force*; he has worked out in minute detail the steps by which, in the space of ten years, Great Britain becomes a Socialist State, and the lines are laid for a complete redistribution of its wealth. The pace is terrific: within a month of Labour forming its first effective government in 1936, it is to assume control of the banks, currency and foreign exchange; to abolish the House of Lords with the help of hundreds of new Labour Peers; to establish a forty hours' week and a national minimum wage of £2 a week; and to be empowered to control or requisition all or any

trades, industries or services. Having thus cleared the decks, it will then reconstitute the legislative machinery. The House of Commons will have one duty only, to advise on an annual Planning and Finance Act; all details will be left to Regional Councils or subordinate local parliaments. But individual M.P.s will be fully used on special executive business and in advisory Standing Committees attached to the different Ministries. The next move will be for the government to take over the credit system of the country, including the Bank of England and the big joint-stock banks, whose shareholders will be compensated by annuities terminable in twenty-five years. From this it will be an easy step to assuming the control of investment, dispensing with the issuing houses and probably also the Stock Exchange. The road will thus be open to the fixation of prices, the raising of real wages, and the slow taxing out of existence of large fortunes and estates. The key industries are then to be taken in hand, one by one, and rationalised under State control. The wastefulness of retail trading will be checked by a system of licences. Foreign trade will be regulated by a judicious tariff, discriminating against luxury imports and "imports which could equally well be produced at home by industries already socialised." The transport tangle is to be straightened out, a gas "grid" established, the Church disestablished, education put to rights and the administration of justice simplified and cheapened.

By this time the breathless reader will be looking for some pause due to obstruction, dissension or mere human weakness. But Mr. Mitchison will have none of this: the masses and their representatives are to march onward hand in hand, and even the ex-capitalist will become reconciled to a new economy with a new sense of order and happiness. Its excessive optimism apart, the programme is open to certain other criticisms which will readily occur to the reader. Beyond a one-line reference to a "socialised theatre and opera," nothing is said about the regulation of the workers' leisure and amusements, or how the higher fields of art and literature are to be controlled. It is explained that evening dress will no longer be worn at the police college; but no explanation is given of how "the absorption of the Indian principalities" is to be effected, or "racial safeguards" imposed on a fully self-governing India. It would be ungenerous, however, to dwell on flaws in a work of this magnitude. The whirl of its enthusiasm, and its imposing mass of careful detail (in its descriptions, for example, of our great industries) make the book a serious contribution to the one outstanding political issue which the next generation has to face.

The anonymous sixpenny pamphlet from the N.F.R.B. confines itself to a sketch of the approach which the next Labour Government is advised to make to foreign policy. It is based on the principle of Collective Security; and, while admitting the failures of the League of Nations, it would still employ the framework of the League, with suitable amendments of the Covenant, to secure (*a*) compulsory judicial settlement of international disputes; (*b*) a precise definition of aggression; (*c*) collective coercion against the aggressor and collective aid to his victims; (*d*) the limitation of national sovereignty in the matter of armaments, and (*e*) a machinery for the peaceful revision of treaties. The suggestion is that the democratic and socialist States of the world should form a group within the League to accept the obligations of such a system. The group would be in effect a defensive alliance for peace. The writer leaves a good many loose threads, but does not

claim to have produced a finished project, and the attitude is moderate and interesting.

Of Lord Allen's most attractive book, the sub-title is the best description—a Plea for Liberty and Leadership. What the world needs, it argues, is a lead, an ideal, a programme, and greater speed in the handling of its difficulties; for the human mind is moving quite as fast as human mastery over nature. All these Great Britain could supply, but not under her present banners. New leaders are called for, who will look facts in the face and neither magnify difficulties nor clamour for class warfare to remove them. Democracy is not unintelligent and, if it is only told the truth, it will follow a courageous leader even against its own traditions. Given adequate leadership, it might be possible, without any real loss of liberty and before another generation passes, to be " within sight of the abolition of poverty and unemployment."

To this end, however, a different method is required from the ordinary polemic. Lord Allen modestly describes his work as an essay in political technique rather than a programme; but he gives several interesting illustrations of how he conceives that this method—the method of pure reason—would operate on political action, as it has already done, for example, in regulating London transport. As well as a new technique, a new orientation of parties will be necessary, if violence and dictatorship are to be finally ruled out; for that they may come from either wing of our present political front is evidently what Lord Allen fears, like many others. MESTON.

43. PROFESSOR A. BERRIEDALE KEITH ON CERTAIN LEGAL AND CONSTITUTIONAL ASPECTS OF THE ANGLO-IRISH DISPUTE. With an introduction by Henry Harrison. 1934. (London: Irish News and Information Bureau. 16 pp. 6*d*.)

THIS pamphlet contains an interview with, and certain letters from, Professor Berriedale Keith concerning the Anglo-Irish dispute which appeared in the press some months ago. Whilst refusing to express a definite opinion on the merits of the dispute concerning the land purchase annuities, Professor Keith holds that the Treaty of 1921 was an international instrument and that the Irish Free State cannot be deemed a defaulter so long as it is prepared to submit the issue to the Permanent Court of International Justice. But he also considers that the abolition of the oath of allegiance involves both a breach of the Treaty and of the Free State Constitution. On the other hand, he holds that the recent amendments of that Constitution which abolished the last formal rights of the Governor-General to recommend the appropriation of money and to withhold assent from or reserve bills, and eliminated the appeal to the Privy Council, are manifestly and undeniably within the powers of a Dominion as laid down by recent Imperial Conferences and the Statute of Westminster. His conclusion that the Treaty was a compromise, won by armed rebellion from Great Britain and considered in Ireland preferable to a renewal of war, which neither party can repudiate as having been exacted by force, and which it is morally indefensible and illegal to ignore, is one with which most sensible people on both sides of the Irish Sea will entirely agree. If, as he points out, there were even a moderate amount of statesmanship available on either side, an effective accord should be possible. JOHN J. HORGAN.

44. FOREIGN RELATIONS IN BRITISH LABOUR POLITICS. By William P. Maddox. 1934. (Cambridge, Mass.: Harvard University Press. London: Humphrey Milford. 8vo. xv + 253 pp. 10s. 6*d*.)

THIS book is more than its title suggests, for it is also a shrewd and penetrating study of certain aspects of the organisation of the British Labour Party. The author quite rightly treats his subject in connection with the policy, organisation and action of the party as a political force and a working political machine. The position of the British Labour Party in the international labour movement is dealt with at length, and the bases, principles and development of the Labour Party's foreign policy in this country are exhibited with clarity and force. Mr. Maddox has gone to great pains to estimate the quality of the leadership of the British Labour Party and to find out to what extent the leaders have really led in this all-important matter of foreign policy. His verdict is favourable to both Mr. MacDonald and to his predecessor the late Mr. Keir Hardie. Fully documented and severely scientific in temper, this book represents as valuable a contribution to the study of British politics as has been made for some time.

J. COATMAN.

45. A SUPREME SENATE AND A STRONG EMPIRE. By R. V. Wynne. 1934. (London: P. S. King & Son. 8vo. ix + 76 pp. 4*s*. 6*d*.)

This book is an argument for and a proposed sketch of a constitution for the British Empire. Whatever the reader may think of the actual proposals, this small volume of 70 pages is a thoughtful and interesting contribution to the problem now looming before the British nations of creating machinery of cooperation appropriate and adequate to their world-wide Commonwealth.

J. C.

46*. DIE ORGANISATION DER BRITISCHEN KOHLENWIRTSCHAFT. By Dr. Werner Fuhr. 1934. (Deutsche Betriebswirte-Verlag. 8vo. 98 pp. Bibl. *Rm*. 3.)

A study of the British coal industry, and more especially of its reorganisation since the War, based on the report of the Royal Commission, reports of the Mines Department and on various German secondary authorities.

47*. LA CONSTITUTION ANGLAISE. By Sir Maurice Amos. Trans. by Paul de La Pradelle. 1935. (Paris: Recueil Sirey. 8vo. ix + 223 pp. 18*fr*.)

A French translation of the author's *English Constitution*, published in the "English Heritage Series," with an additional introductory chapter.

## EUROPE

48*. EUROPE BETWEEN WARS? By Hamilton Fish Armstrong. 1934. (London: Macmillan. Cr. 8vo. 115 pp. 6*s*.)

THOUGH parts of it are already out of date, this is a valuable *aperçu* of the European situation. There is abundance of good material, packed into the fewest possible words; the choice, for example, between the *Anschluss* and a Habsburg restoration, as it presents itself to the Succession States, is admirably put. The author, like the good American he is, is careful to tell us that the poles are not further apart than is President Roosevelt from the Dictators of the Old World, elevated to power by the ready-made economic panaceas with which

they deluded their suffering peoples. He deals faithfully with the principle of a dictatorship in the striking chapter, "Wotan chases Apollo," with which the book ends. The principle is that truth yields to untruth: "spiritual, artistic and intellectual life shrivels up: the continuity of civilisation is broken."

It is not surprising, therefore, that Mr. Armstrong finds cause for grave anxiety in the tyrant-ridden countries of the West. The old armament race has been resumed after a truce of exhaustion. Germany, under a "sincere and naïve demagogue" who is also "the most consistent and obstinate man alive," is determined to accumulate enough power to give her the domination of the world. The opportunism of Italy, the suave vacillations of England, the unhappiness of the Little Entente, the gamble to which Poland is committed—all add to the general unrest. France, unable to put her own house in order, is wasting her substance in the hopeless task of "keeping 42 million Frenchmen one degree more powerful than 65 million Germans." It would be difficult to paint a gloomier picture, and yet there is no exaggeration in it.

Nor need we yet despair, thinks the writer. If France would consent to the disarmament proposals which she rejected in the spring of 1933, and if England would guarantee the enforcement of the treaty which fixes the degree of German rearmament, hope might still revive. The League would have to be resuscitated, an "Eastern Locarno" would have to be devised, and the United States would have to share in the international control of treaty obligations. Dictatorship would have to disappear, and economic freedom to be restored. It is a drastic prescription, it may be but the only way to health. MESTON.

49*. THE GERMAN REVOLUTION. By H. Powys Greenwood. 1934. (London: Routledge. 8vo. xiv + 334 pp. 12*s.* 6*d.*)

LIKE all great political upheavals the German Revolution has been the fount from which has sprung a spate of publications, partisan, explanatory and analytical, which seek to put every aspect of the situation before the reader. Out of this flood of words there arises at intervals one outstanding book which no student of the subject can afford to be without. Such a book is Mr. Greenwood's most excellent work, which, with Karl Heiden's *History of National Socialism*, ranks among the most important contributions to the literature of this all-important subject.

The author is fully qualified to make this contribution. For ten years after the War he lived continuously in Germany in circumstances which brought him into intimate touch with the leading personalities in political, military and business circles, and since the Revolution he has spent long periods in the country, acquainting himself not only with the views of the leaders of the National Socialist Party, but also with those of the man in the street and in the ranks of the Storm Troops. He is, in fact, one of the comparatively few Englishmen who, since the advent to power of the Nazis, have studied this new political phenomenon on the spot, and he writes with the authority of information gained at first hand.

In the first half of the book Mr. Greenwood gives an admirable survey of the historical and economic background of National Socialism, and describes the classes and parties in the early days of the German Republic, giving an able account of the problem of Communism in Germany and the position of the Jews. The sordid and tragic story

of reparations is also well told and the component elements in German nationalism are reviewed. But the outstanding feature of the book is the really brilliant study of the rise of the Nazi movement and its slow progress to victory, and the analysis of the policies, social, economic and cultural, which it is endeavouring to carry out. It is the treatment of this last aspect of the problem, comprising the second half of Mr. Greenwood's book, which is of especial value; for the peace of Europe may well depend on the success or failure of the Nazi experiment, and it is, therefore, of the greatest importance to have this admirable analysis of Hitler's foreign policy, Schacht's economic plans, Darré's "novel scheme of agricultural reform," and Rosenberg's religious theories.

Recognition of the excellence of Mr. Greenwood's work need not imply complete agreement with all his views and conclusions. His approach to his subject is one of sympathetic understanding, though he does not hesitate to criticise strongly those aspects of which he disapproves. He is, however, in some degree unfair to the predecessors of the Nazi régime. His condemnation of the Weimar system does not seem to appreciate fully the stupendous difficulties with which President Ebert was confronted, nor to take sufficiently into account the attitude of the Allied Powers, and especially that of France, which hamstrung the constructive foreign policies of Rathenau, Stresemann, and Brüning, and made it virtually impossible for a strong government to exist in Berlin. It must also be remembered that the credit for initiating the much-needed moral cleansing of Berlin belongs not to the government of Herr Hitler, but to that of Herr von Papen. As early as June 1932, Dr. Bracht, of *swickel* fame, had energetically opened the campaign, which continued during the Chancellorship of General von Schleicher and was in active operation when the Nazis came to power.

The reviewer could detect only one factual error in Mr. Greenwood's three hundred odd pages and that is one of minor importance. On page 301 he attributes the actual authorship of Herr von Papen's famous Marburg speech on June 17th to his adjutant, Herr von Bose. The speech was written, however, by Edgar Jung, who had prepared all von Papen's political utterances for some time previously. Jung was the only victim of the murders of June 30th who was arrested before that date. He was actually detained on the morning of the 28th. The reason for Herr von Bose's murder was less evident.

These criticisms, however, must in no way detract from the great value of Mr. Greenwood's book, which has provided for this country a study of the German Revolution comparable in standard and excellence with those of Hamilton Fish Armstrong and Calvin Hoover in America.

JOHN W. WHEELER-BENNETT.

50*. THE CHURCH CONTROVERSY IN GERMANY. By Andres Nygren. 1934. (London: Student Christian Movement Press. 8vo. 115 pp. 2s. 6d.)

51*. RECENT DEVELOPMENTS IN GERMAN PROTESTANTISM. By Dr. Otto Piper. 1934. (London: Student Christian Movement Press. 8vo. 159 pp. 4s.)

52. RELIGION AND THE EUROPEAN MIND. By Dr. Adolph Keller. 1933. (London: The Lutterworth Press. 8vo. 208 pp. 6s.)

THE attempt of the Hitler Government to establish a national Nordic "blood and soil" Church, since this would have separated it from the universal Church of the New Testament, naturally arrested the attention and aroused the interest of Protestants throughout the

world. It has been difficult, however, to gain a clear understanding of either the causes or the exact consequences of the conflict. Therefore the three above books will be welcomed and generally read. This they well deserve, for although not ponderous tomes they contain sifted, reliable and as full information as is at present obtainable.

Before and after the War, Cromwell and the Commonwealth Period had a fascination for German historians, which more recently has spread to English writers of history. How far this accounts for the removal of professors from their chairs, only they could tell. But in the light of what has occurred since the rise of Hitler, the claim of the Purge Parliament is recalled by the claim of the present German Government, especially since the repudiation of the Weimar Constitution of the country. Morley wrote of the Purge Parliament, " Nothing in all the world of politics is so intractable as a band of zealots, conscious that they are in a minority, yet armed by accident with the powers of a majority." The pulpits of Germany then rang with denunciation of the English Republic. The pulpits all round the world ring to-day with denunciation of Germany's attempt to filch liberty from the Protestant Church.

As Germany has not profited from the lesson of English history in the political sphere, it has failed utterly to appreciate the writing on the wall of Scottish history in the ecclesiastical sphere. Tortured almost to death by a Government that sought to subordinate and shape its will, the Church of the Scottish people not only survived but to-day is the first Church to receive a statutory spiritual freedom preserving its catholicity while remaining a national Church at the same time.

The three books here reviewed were written by authors of different nationality; the first a Swede, the second a German and the third a Swiss. All three are professors, highly qualified to deal with the subject. All three books are free from prejudice, animated by a fine Christian spirit, and where judgment is pronounced it is in almost every instance judicial.

To take the last book, that of Dr. Keller, first, as it is the largest in size and also widest in its sweep of thought—*Religion and the European Mind*, as its title clearly indicates, deals more with the character of the new thought in Germany and its bearing on European thought than with the political or State side of the problem. Indeed Dr. Keller thinks that in Germany, as in other countries where the conflict has arisen, it is more religious than political or philosophical. This is a very able and most readable book, as one would expect from the pen of the distinguished Swiss professor and author of *Karl Barth and Christian Unity*. Against the modern teaching that man can work out his own salvation by collaborating with God, Dr. Keller recalls the Lutheran and Reformed formulas, *sola fide,* and *soli Deo gloria,* and commends the stand Barth has taken on the side of supernatural salvation from the grace of God and against humanitarian salvation wrought by Man himself.

Professor Andres Nygren's *The Church Controversy in Germany* should be read first of the three. It gives succinctly all that could be learned by investigation of the history of the conflict. The very questions that are troubling the minds of Christians outside Germany, probably paining those inside too, can find the desired answers in this most informing and readable book.

*Recent Developments in German Protestantism* by Dr. Otto Piper I have left to the last, because it has for those who have kept themselves informed of the course of the conflict the inside, first-hand explanation of thought and event which only he who has gone through the agony is qualified to give.

Dr. Piper's book is the man, and best described in his biography, which should be written, and soon. From Erfurt in his youth he carried the spirit of Luther, and as a student, from membership of the *Wandervögel*, imbibed sympathy with the pre-War Youth movement. At Jena, Marburg and Paris he made theology and philosophy his chief studies. At Paris he simultaneously studied Protestant and Catholic Theology. Amongst the first to volunteer, he was wounded in the head in August 1915, recovered, and returned to the front, but in 1917 was released broken in health. While doing home garrison duty he resumed his studies, and graduated a Licentiate in Theology at Göttingen in 1920. After several years of University lecturing, he was appointed to the chair of Systematic Theology at Munster, in succession to Karl Barth. In 1930 the Protestant Theological Faculty conferred on him the degree of D.D., in recognition of his book, *The Foundations of the Gospel-Ethic*. In 1927 he was a member of the Faith and Order Conference at Lausanne. When Hitler came into power Dr. Piper was dismissed from his chair, and in his enforced leisure he gave in Manchester University lectures from which, with additions by the advice and encouragement of friends, this book was written. JOHN LOVE MORROW.

53*. BEKENNTNISSYNODE DER DEUTSCHEN EVANGELISCHEN KIRCHE, Barmen, 1934. Vorträge und Entschliessungen. 1934. (Wuppertal-Barmen: Kommissionsverlag Emil Müller. 8vo. 75 pp. 70 *pf*.)

A record of the proceedings of the First Congress of the German Evangelical Church, held at Barmen at the end of May 1934.

54*. GERMANY'S SECRET ARMAMENTS. By Helmut Klotz. 1934. (London: Jarrolds. 8vo. 190 pp. 5*s*.)

55*. HITLER REARMS. Edited by Dorothy Woodman. 1934. (London: John Lane. 8vo. xiv + 336 pp. 10*s*. 6*d*.)

HATRED and fear of the Nazi régime inspire these books. This is natural, for only people so inspired would take the pains to collect material on German rearmament. Most of us take it for granted that Germany is, in fact, armed, and that the secret services have told the other governments all about it; our minds are preoccupied with the problem of what should be done next.

Dr. Klotz is convinced that the Nazi rulers plan an invasion of France via Holland and Belgium, in order to avoid the new French fortifications. He adduces as evidence labour-camps for picked men at Monschau, Gemünd, the Bentheim Wedge and the Cleves frontier salient. They are engaged, so he says, in constructing secret bases and underground aerodromes. The book deals also with the Reichswehr as an army of officers, the S.S. and S.A., labour service and the Hitler Youth as a military reservoir, with the rise of military aviation, the fleet, war industries, preparation for gas and germ war. It says oddly that it would be improper to discuss the import of arms into Germany. Why? It is the import, if it exists, which is improper, not discussion of it.

*Hitler Rearms* is a far solider work. It reviews the general situa
much in the tone of Nahum pronouncing the Burden of Nine
But Germany is the greatest danger. "The totalitarian State is polit
economic, ideological, military, in brief totalitarian preparation
war." The thesis is argued with an enormous number of deta
illustrations, collected, the editor says, with meticulous care, and o
at the risk of death. Every manifestation of Nazi policy, from
couragement of the birth-rate to removal of the tax on motors
included in war-preparation. A great deal of this matter is n
useful, especially copies of documents, and much of the econo
information. Speeches by the lesser Hitlerites and transient newspa
articles are less convincing. Certainly there is an overwheln
effect that the Nazi system, whether or not it is directly aimec
war, is admirably suited to war. Even if it is improbable that
government plans war consistently by night and day, nobody
doubt that the constant inculcation of war as a normal instrumen
policy and as a glorious destiny, will poison the mind of an ensla
people.

The book would be more effective if the argument were co
presented. It is as lavishly spattered with italics as the letter
Queen Victoria. " Schwartzkopff has received from the Navy C
mand and the Army Ordnance Office *new orders for torpedoes*, for
execution of which the firm was given *a subsidy by the Reich*."
effect of this is that the eye instinctively avoids the words emphasi
which cannot be what the author wants.

The pity about both these books is that they could well be use
text-books by militarist societies, urging increase of armaments and
with Germany. Of course the authors would be the last to advo
such a policy. Yet what are the alternatives? A preven
war, already ruled out; drift accompanied by arms competiti
or negotiation which must be based upon the principle of Ger
equality. Dr. Klotz is horrified that the Powers ever admitted
right of equality. His proposals are limited to what seems lik
vague suggestion of counter-revolution. *Hitler Rearms* suggests
policy whatever. It does not propose either war or agreement v
the accursed thing. Thus the work of sincere peace-lovers could
fitted without a visible seam on to that of war-mongers.

FREDA WHITI

56*. KONZENTRATIONSLAGER: Ein Appell an das Gewissen der W
[*Probleme des Sozialismus*, Nr. IX.] 1934. (Karlsb
Verlagsanstalt " Graphia." 8vo. 254 pp. 6s.)

Reports of treatment received in various concentration cam
Dachau, Brandenburg, Königstein and others—by prisoners who l
since been released.

57*. GRENZEN DER GEWALT. Aussichten und Wirkungen bewaffn
Erhebung des Proletariats.

58*. PUTSCH ODER REVOLUTION? Randbemerkungen über Strat
und Taktik im Bürgerkrieg. By Julius Deutsch.

59*. DER FASCHISMUS ALS MASSENBEWEGUNG. Sein Aufstieg u
seine Zersetzung. By Historikus. [*Probleme des Sozialism*
Nr. X, XI and XII.] 1934. (Karlsbad: Verlagsans
" Graphia." 8vo. 55, 50, 75 pp. 1s. 6*d*. each.)

Three further pamphlets in the series *Probleme des Sozialismus*.
the first one the author deals with the German and Austrian revolut

as examples of the use of uncontrolled force, and urges strongly that the proletariat should believe in the validity of other arguments beside those of force.

In the second pamphlet Julius Deutsch deals with the difference between a *Putsch* and an organised revolution, basing his remarks on events of last year in Austria.

The third pamphlet traces the development of Fascism in Europe, and especially in Italy and Germany. The author considers that although it may have gained the mass of the people for the time being, it will not be able to hold them.

60*. IL PLEBISCITO NEL BACINO DELLA SARRE. By Rodolfo Mosca. 1934. (Milano : Istituto per gli Studi di Politica Internazionale. 8vo. 79 pp. *Lire* 3.)

A short introduction to the Saar question, with text (in French) of rules for the recent plebiscite.

61*. L'UNION DOUANIÈRE AUSTRO-ALLEMANDE. By Guy de la Rochebrochard. 1934. (Paris : Pedone. 8vo. 225 pp. 30 *frs.*)

THE author traces the history of the economic relations since 1815 between Austria-Hungary first with the *Zollverein* and then with the German Empire, and examines the various negotiations for a Customs Union before and during the War and the steps taken after its conclusion to prevent *Anschluss*. A discussion of the arguments in favour of *Anschluss* and of the means employed to prepare the way towards it leads up to a section on the Austro-German Customs Union project drawn up in the Protocol of March 19th, 1931. The author examines the various obstacles in the way of the putting into force of this Protocol and describes the circumstances in which the dispute was submitted by the Council of the League to the Permanent Court of International Justice for an advisory opinion as to the compatibility of the Protocol with the Articles in the Peace Treaties and the provisions of the Protocol of 1922.

Associating himself largely with Signor Anzilotti's minority opinion, he considers that the régime envisaged by the Austro-German Customs Union project was not incompatible with the maintenance of the independent status of Austria, and comes to the conclusion that the judgment of the Permanent Court which was given against the project by 8 votes to 7 was, in fact, a judgment against *Anschluss* rather than a judgment on the point submitted to it. S. A. H.

62*. SPAIN. By Sir Charles Petrie, Bart. [*Modern States Series, No.* 5.] 1934. (London : Arrowsmith. 8vo. x + 134 pp. 3*s.* 6*d.*)

THIS short popular history of Spain falls into three parts : a compressed account of the country's development from the earliest times to 1808 ; a description of events from the Peninsular War down to November 1933, which occupies over half the book and grows fuller as it approaches the present time ; and two concluding chapters on the Spanish genius and the present economic situation.

The inclusion of the last chapter hardly makes up for the author's neglect of the economic aspect of history ; no account is given of the feudal system or of the rise of capitalism. Nevertheless, his survey of Spain's ascent and greatness is marked by fairness and a sense of proportion.

In dealing with the nineteenth and twentieth centuries he adopts a more controversial position. Critical alike of Señor Azaña, General

Primo de Rivera and Count Romanones, he condemns the recurring forms of unbalanced radicalism, military dictatorship and corrupt party government which prevailed at Madrid; and he sees the tragedy of the monarchy in its inability, for dynastic and other reasons, to base itself on the native conservatism of the countryside. He regards Señor Gil Robles as the best representative of this tradition and looks to him to lead Spain to a brighter future. J. GUEST.

63*. YOUGOSLAVIE. By J. Augarde and E. Sicard. 1934. (Paris: Éditions des Portiques. 8vo. 248 pp. 12 *frs.*)

THE authors maintain that a complete change for the better began with the royal dictatorship in 1929. The ten preceding years of parliamentary régime were marked by chaos, corruption and Great Serbianism. The dictatorship got down to work, reduced the debt, codified the law, and tried to appease racial differences. The writers even go so far as to say that to-day "*rien ne distingue la Constitution yougoslave d'une quelconque Constitution dite démocratique.*"

There are interesting chapters on agriculture and industry and Zagreb's banking system; and chapters of rather slipshod history. The account of the murder of the Archduke Franz Ferdinand might have been written by a Serbian partisan during the War. It takes no account of the evidence which has accumulated since then and it repeats statements long ago proved to be untrue.

R. G. D. LAFFAN.

64. CRISIS IN EUROPE. By George Slocombe. 1934. (London: Selwyn Blount. 8vo. 234 pp. 10s. 6*d.*)

MR. SLOCOMBE is a newspaper correspondent—his publishers, who by the over-statements in their "blurb" do much to irritate readers against him, describe him on the cover simply as "the famous foreign correspondent." His writing has the merits and faults often attendant on his profession. It is always vivid and interesting, and is clearly based on considerable first-hand knowledge and study of the European situation. It may, however, be doubted whether the material which must have composed excellent newspaper articles stands the test of reproduction in book form. In spite of occasional excursions into the past, the book as a whole deals with the situation in 1933 and the early part of 1934 in much too exclusive and static a fashion. Topical and accurate as it was when written, it is already partly out of date, and as time goes on its perspective will become more and more falsified.

Mr. Slocombe's final recommendations in favour of a general European Peace Conference, in which the victors will satisfy the vanquished by concessions and guarantees in return for collective guarantees of security, are interesting, but while he states the arguments in favour of this proposal very briefly, he seems to underestimate the difficulties in the way of its execution.

C. A. MACARTNEY.

65. EASTWARD FROM PARIS. By Edouard Herriot. 1934. (London: Gollancz. 8vo. 318 pp. 10s. 6*d.*)

THIS is the record of a longish trip made by M. Herriot to Eastern Europe in the summer of 1933. He seems to have been the perfect guest. He admired the vitality of the Greeks, the stubborn endurance of the Bulgarians, the democratic institutions of the Turks, the singing

of the Latvians, and above all the revolutionary achievements of the Russians. He not only records his own impressions, but quotes freely from a large number of publications, many of which were evidently supplied to him by his hosts. Everywhere he went, he inspected and approved French schools and other institutions which keep the lamp of French culture burning in so many lands. It must have been a busy and exhausting tour, particularly if—as is generally supposed—it included serious conversations with Soviet statesmen on the preparation of a Franco-Soviet *rapprochement.* But no such conversations are referred to in the present volume. JOHN HEATH.

66*. ORDENACIÓN Y PROSPERIDAD EN ESPAÑA. By Pedro Gonzalez Blanco. 1934. (Madrid: Sáez Hermanos. 8vo. 203 pp. 4 *pesetas.*)

A survey of the agricultural resources of Spain which points out the need for irrigation and agrarian reform and urges the adoption of the national plan drawn up by Don Lorenzo Pardo.

67. WOMEN UNDER FASCISM AND COMMUNISM. By Hilda Browning. 1934. (London: Martin Lawrence. 8vo. 48 pp. 6*d.*)

Evidence is here collected to show the lot of women under Fascist rule in contrast with the advantages they enjoy in Soviet Russia.

## U.S.S.R.

68*. THE BOLSHEVIK REVOLUTION, 1917–1918. By James Bunyan and H. H. Fisher. [*Hoover War Library Publications, No.* 3.] 1934. (Stanford University Press; Oxford University Press. 8vo. xii + 735 pp. 27*s.*)

THIS is an interesting and ambitious attempt to write contemporary history in the form of documents. The greater part of the text consists of official documents, proclamations, resolutions, etc., and of extracts from published memoirs and from the press, the editors being content with brief explanatory introductions to each section. The work is on a generous scale, 700 pages being required to cover the history of Russia from October 1917 to April 1918. It is the sort of thing which will be invaluable to advanced history students; and the selection of documents seems on the whole admirable. But the historian must obviously make his own choice of material, and will want it in the original language; and one feels that the present volume, though excellent in its way, scarcely repays the enormous amount of labour which must have been expended on it. JOHN HEATH.

69*. WAR AND PEACE AND THE SOVIET UNION. By Gore Graham. 1934. (London: Gollancz. 8vo. 288 pp. 5*s.*)

THE argument of this book might have seemed more effective in fewer pages. Eked out by much unnecessary comment on the course of world affairs generally, it is summed up in a postscript dated February 1934: "What can we do to stop the present drift to war and to prevent the impending attack on the Soviet Union?" There is, of course, a case to be made out for the point of view represented here, which is an elaboration of the "hands off the Soviet Union" slogan. But the author states the case crudely and with too great a faith in the virtues of abuse. His main point is that the danger of war and the prospect of a concerted Japanese–German attack upon the Soviet Union are identical. The relevant facts are familiar by this time, and the author

does not improve upon them by interlarding odds and ends of political and commercial intelligence. He would have been wiser to stick to the point that Soviet fears are not unfounded and are not being allayed. There is much in the book, by the way, that already " dates."

R. D. CHARQUES.

70. DAS NEUE SIBIRIEN ALS PANASIATISCHES PROBLEM. By B. Ischboldin. 1934. (Jena: Verlag Fischer. 8vo. 71 pp.)

A reprint from *Weltwirtschaftliches Archiv* for September 1934. Urges the need for an understanding between the yellow races and the Anglo-Saxon Powers to promote a regional Asiatic League, and thus to prevent the " Bolshevisation " of Siberia and Central Asia.

## INDIA

71. THE TRAGEDY OF GANDHI. By Glorney Bolton. 1934. (London: Allen and Unwin. Demy 8vo. 326 pp. 10s. 6*d*.)

WHEN they are not efforts of pure propaganda, most of the serious books now being written on the Indian problem fall into one or other of two classes. In one class is the book which seeks to establish an historical and racial background for the excitements of the moment, and looks on the movements which we are witnessing—grave and revolutionary though they seem—as ultimately sure to be absorbed into the texture of India's life with little disturbance and with effects widely different from those which our own political experience suggests. In the other class is the book which describes, with strong lights and heavy shadows, the Nationalist campaign as if it were an insurgent crisis of self-determination, with no roots in the past. This biography of Mr. Gandhi belongs to the latter category rather than the former; but it is decidedly better than most of its kind. It is a sympathetic study of the Mahatma, bringing out the finer traits in his character, from his unsparing asceticism to his love of children. At the same time it is discriminating; for it makes no concealment of his blunders, " Himalayan " or otherwise, his vacillations, his capacity for self-deception, his reckless disregard of consequences. It is the best balanced picture of this unique figure which has yet been attempted, and it is sketched in light and happy prose.

For the Mahatma's earlier career and his African experiences, Mr. Bolton adds nothing to the material with which we are already familiar; nor indeed does he tell us much that is new, up to the so-called Delhi Pact. Mr. Gandhi's later relations with the Congress, however, and the reasons for his failure at the Round Table Conference are shown in a fresh and interesting light. And there is a particularly useful account of Lord Willingdon's refusal to bargain with him on his return from London. Mr. Gandhi may put as low a value as he pleases on human life; but the Viceroy of India has a sterner responsibility, which he was strong and courageous enough to realise. Mr. Bolton leaves the Mahatma among the Untouchables. If his mission for them bears fruit, he will have done more for India's advancement than anything else in his strange career.

MESTON.

72. INDIA'S PLIGHT. By Sir M. de P. Webb. 5th Edition. 1934. (London: P. S. King. 8vo. 105 pp. 3*s*. 6*d*.)

The thesis of this book is that " only by the full rehabilitation of silver money " can be achieved that long and continued rise of prices which alone can save the world from bankruptcy and civilisation from disaster. In the author's view it is essential that the proposed further

constitutional reforms for India do not overlook her economic conditions, which can only be improved by the methods urged in his book. He includes as appendices addresses given to various branches of the Currency League of India.

ꝭ*. THE PROGRESS OF RURAL WELFARE IN INDIA. By C. F. Strickland. 1934. (Oxford University Press. Sm. 8vo. 46 pp. Bibl. 9*d.*)

A concise report on the aims, work and progress of the Indian Village Welfare Association. A full bibliography is given for the benefit of those who wish to study the subject further.

ꝭ*. STUDIES IN THE ECONOMIC AND SOCIAL DEVELOPMENT OF THE NETHERLANDS EAST INDIES. By J. S. Furnivall.

I. An Introductory Survey, 1815–1930. 1933. (Rangoon: Burma Book Club. 8vo. 22 pp. 8 *annas.*)

IIB. An Introduction to the History of Netherlands India, 1602–1836. 1933. (Rangoon: Burma Book Club. 8vo. 73 pp. *Rs.* 2.)

III. State and Private Money Making. 1933. (Rangoon: Burma Book Club. 8vo. 45 pp. *R.* 1.)

IIIC. State Pawnshops in Netherlands India. 1934. (Rangoon: Burma Book Club. 8vo. 12 pp. 8 *annas.*)

IVD. Fisheries in Netherlands India. 1933. (Rangoon: Burma Book Club. 8vo. 9 pp. 8 *annas.*)

Burma en Ned. Indië vergeleken en tegenover elkaar gesteld. 1933. (Reprint from *Koloniale Studien,* Dec. 1933.)

THE Studies in the Social and Economic Development of the etherlands East Indies, of which these monographs form part, are anned to cover "historical background," "administration," economic conditions" and "education," and are the result of re- :arch work organised and financed by the University of Rangoon. ı the preface to his "Introduction to the History of Netherlands ıdia" Mr. Furnivall points out that "Netherlands India is an eco- ɔmic polity—a political organisation founded on, and built up by, :onomic circumstances rather than geographical, racial, religious r linguistic ties" . . . and it is from this standpoint that the studies ave been written.

## AFRICA

5*. THE ANGLO-EGYPTIAN SUDAN. By Sir Harold Macmichael. 1934. (London: Faber and Faber. 8vo. 288 pp. Map. 15*s.*)

THE book is the first of its kind. It is not indeed a history of the udan. The material for writing anything like a consecutive story of vents before the nineteenth century is simply non-existent. But the 'riter, being an authority on available records and an ex-Civil Secretary f the Sudan Government, is uniquely equipped for throwing what ght is possible on to the darkness of the past and for giving a detailed ıcture of recent times. The earlier obscurities, such as the rise and ıll of the Meroitic Empire, the strange interlude of Christianity, hough intriguing, have no real bearing on subsequent events. Of efinite relevance was the dynasty of the Mamelukes. Under the rule f those ex-slaves Egypt became uncomfortable for the Arabs who had one there in the wake of the original Moslem conquerors. They

drifted south and between the thirteenth and fifteenth centuries merged with the old population into the present-day Sudanese. Yet,

> "There was no common bond uniting so much as half of the whole country until the advent of civilisation in the person of the 'Turk.' . . . By the universality of his extortion and the indiscrimination of his injustice he united the population in a common detestation of his name."

The writer retells with terrible arithmetic the story of the "ivory trade"—the name used in polite circles for the slave-hunting concessions; and of the efforts of first Baker and then other Europeans to make an abiding impression against the featherbed of vested official interests. Finally came Gordon and his heroic and gifted right-hand man—the Italian Romolo Gessi. These two by incredible risks and labours seemed to be making progress. But Egypt went bankrupt. The misfortunes of the bondholders monopolised the attention of Europe. Gessi died of fatigue; and soon even Gordon broke down under the strain. He left the Sudan and was duly succeeded by a pasha whom he himself had previously dismissed for malpractices.

> "Nothing flourished except the Slave Trade and discord."

Then follows an account of the Mahdiist rebellion against the Egyptian régime which collapsed like a paper bag at the impact, and of the last mission of Gordon and of the tragedy at Khartoum.

> "The fanatics who on that January morning thrust their spears into the poor tired body little recked that they were instruments of a beneficent destiny."

But not for some thirteen years. . . . The Mahdia had first to run its course and to reduce the population, by an impartial application of famine, murder, massacre, from over eight millions to under two millions.

The main difficulties confronting the administration in the new epoch which started after the battle of Omdurman were lack of population and communications in a country "equal in size to the combined expanse of Great Britain and Ireland, France, Italy, Norway, Sweden, Spain, Portugal, Belgium, Denmark." There was no lack of good-will on the part of a people sick to death of misery and insecurity; and the presence of Lord Cromer in the background was a sure guarantee against political agitation from abroad. The writer gives the clearest account I have yet read of the origin and intention of the condominium. He shows how Egypt's rights in the Sudan no longer subsisted after 1884: how her inability to keep order cost Great Britain £13 million in protective campaigns on her behalf: how her sovereign rights "were only recreated in conjunction with sovereign rights accruing to Great Britain by right of conquest"; and how her flag in the Sudan is the outward and visible sign of her two cardinal interests—her right to the Nile waters and the security of her southern frontier.

One is struck with the good fortune of the Sudanese in contrast with the Egyptians. So seldom has their welfare been subordinated to politics. Only during the premiership of Zaghlul was this factor allowed to disturb the calm. The consequences were tragic. The Governor-General was murdered in the streets of Cairo. But he truly gave his life for the Sudan in that as a direct result of the crime the Egyptian element was removed from its army and administration. The passing of the Egyptians cleared the air for the carrying out of Lord Milner's recommendation that "the administration of the different parts of the Sudan should be left as far as possible in the hands of native authorities under British supervision." Concentration was first on the

judicial side of native administration. The sheikhs rose to the occasion. It was found that:

"the exercise of authority with dignified impartiality was traditional and little more of an innovation to them than flight would be to a bird released from the captivity of a cage."

At first it was feared that there would always be an unbridgeable antipathy between the ruling patriarchal element and the sophisticated product of the Gordon College. But latterly it has been proved possible to identify the student with tribal administration, especially when there is a connection by kinship.

The Sudan administration was shaken but not broken by the economic hurricane. The position in 1930 was that whereas the £700,000 odd annual charge for interest, etc., on the Gezira loans had formerly been found out of cotton profits with plenty of margin over, this "national debt" had now to be defrayed out of a falling administrative revenue of under £5,000,000. The gap had to be filled by cuts in pay and retrenchments. The latter process, though the writer does not say so, has probably proved a blessing. It meant a wholesome reduction in staff—especially British staff—and more "plums" for Sudanese. It led to a general overhaul and pruning of dead wood.

The writer's reticence on certain aspects of the administration which deserve criticism is somewhat aggravating. Doubtless he is still too close to the events he describes. On the other hand, his pride in the workers (though he is also reticent about his own part in organising the modern Sudan) is a refreshing contrast to the weary "debunking" of British effort which is not yet quite out of fashion. It is a worthy record, told with a dignity and reserve in keeping with a service which dislikes headlines. Better than mere material profit is the fact that the British connection is assuring a not inconsiderable measure of peace and contentment in a vast territory. Everyone who reads his daily paper must admit that this achievement is a substantial item on the credit side of the world's ledger. What is the secret of this success? Sir Harold answers the question in discussing the solution of future problems. He quotes Burke:

"Refined policy ever has been the parent of confusion and will ever be so as long as the world endures. Plain good intention, which is as easily discovered at the first view as fraud is surely detected at the last, is, let me say, of no mean force in the government of mankind."

R. E. H. BAILY.

76*. NATIVE POLICY IN SOUTHERN AFRICA: AN OUTLINE. By Ifor Evans. 1934. (Cambridge University Press. 8vo. vii + 177 pp. 6s.)

77*. WESTERN CIVILISATION AND THE NATIVES OF SOUTH AFRICA. Edited by I. Schapera. 1934. (London: Routledge. 8vo. xiv + 312 pp. 15s.)

THE first book is a useful summary of Native policy in the Union, the High Commissioner Territories, Southern Rhodesia, and South-West Africa. Mr. Evans, when he recently visited South Africa, was hampered by the absence of such a comprehensive and short review, and set to work to supply the defect himself. The result can be confidently recommended. So also will the second work be welcomed by all students of the subject. It is a collection of essays by recognised experts on its various aspects. The whole ground is not covered, for some contributions have been crowded out. May we hope to see them included in a second volume? Naturally all the writers do not

take the same point of view, and to note their divergencies is not the least interesting part of the book. Professor Schapera, for example, as an anthropologist, regrets that so far no attempt has been made by the responsible authorities in the Native Reserves to check the internal disorganisation, and to strengthen the foundations of tribal society before they collapse irreparably. Mr. H. M. Robertson, as an economist, inveighs against those false friends who wish to bolster up the decaying remnants of tribalism. Mr. W. H. Hutt, also as an economist, regards *laissez faire* as probably the wisest policy to be applied to such institutions as *lobola* "until the practice becomes an abomination to the Natives themselves." Professor Brookes, on the other hand, regards the maintenance of *lobola* as "vital." Both points of view are defensible. But the economists hardly do justice to the attitude of those with whom they differ. No one wishes to bolster up decaying remnants of tribalism. The point is to discover if possible what to try to put in their place. H. A. WYNDHAM.

78. THE SOUTH AFRICANS. By Sarah Gertrude Millin. 1934. (London: Constable. 8vo. 324 pp. 7*s*. 6*d*.)

THIS book was first published in 1926, and the authoress points out in the preface that "Statements which were right then are wrong now." Much of the book has accordingly been rewritten and a quantity of new material added.

As far as it is possible to condense into 324 well-printed pages a fair picture of South African history, conditions, politics and problems, the authoress is to be congratulated on the result. For readers who are not familiar with the territory the addition of a map would be helpful.

In the chapter devoted to Cecil Rhodes, Mrs. Millin does not give full value to the inspiration of his work. If he were arrogant, if, indeed, he found it necessary to procure the assent of those who were corruptible by the only means they understood, it was not for himself but for the future of the country he loved so well.

In summarising the "Poor White" problem no reference is made to the part played by malaria fever, but malaria is one of the problems to be dealt with if some of the more fertile districts of South Africa are to carry prosperous white communities with the consequent amelioration of the Poor White question. With the more general interest now being taken in the question of the Native Protectorates, the chapters dealing with the Native problem are opportune and add greatly to the topical interest of the book. The Poor White Question, the Native Problem, Segregation or Aggregation—who can say? It is sad that Mrs. Millin, who has tried to get at the heart of South Africa's problems, ends this new edition, like the first, on a note of doubt rather than hope.

A good Index adds much to the value of this vividly written book.

P. G. S.

79*. AFRICAN AFFAIRS, 1933: An Annual Report upon the Affairs of the various Countries, Territories and Dependencies, under His Britannic Majesty's Crown, on the Continent of Africa. Edited by Owen Clough. Vol. V. 1933. (Printed and published in Great Britain by Billing and Sons, Ltd., Guildford and Esher. 8vo. 358, liv pp. 10*s*. 6*d*.)

Each new volume of this useful reference work has had some improvement to offer. The 1933 volume has been conveniently divided into

three parts, as follows: Part I contains a résumé of the social and economic conditions in many of the territories dealt with, together with an article on the locust problem; Part II deals with statistics for the period 1931–1933, with an additional section on Forestry; Part III gives the texts of African mandates and relevant treaties and agreements, together with figures for certain branches of production and for population in Africa, and a summary of the year's legislation.

## THE FAR EAST

80*. EMPIRE IN THE EAST. Edited by Joseph Barnes. 1934. (New York: Doubleday, Doran & Co. La. 8vo. vii + 322 pp. $3·25.)

IN this book ten American writers have made a cooperative study of the problems of the Far East and, as each of the ten chapters is by a recognised authority on the subject with which he deals, the result is a work of great intrinsic value; and being written from the American point of view it is also of value for the light which it throws on the probable reactions of American policy to future developments in the Far East.

The underlying assumption throughout seems to be that the essential characteristics of the capitalist economy of Europe and America is the making of profits, the degradation of the worker and the accumulation of surplus goods and capital which cannot be consumed at home and must therefore be exported. The necessity of finding an outlet for these goods and capital leads to the adoption of imperialist policies towards the nations of the East, and these American writers press this idea so far as to speak of the American Empire and to give their book the title of "Empire in the East." Through all the chapters runs a note of disappointment and disillusionment. The potentialities of the inexhaustible market of China have been the stock in trade of every writer on the Far East but, as our authors point out, the trade of China has remained strangely small compared with the furore and conflict which the struggle for it has produced. It is the same story in whichever direction one turns. The vast mineral wealth of China of an earlier generation of writers vanished under expert investigation, leaving a long record of failure of foreign mining enterprise. Even in the case of coal, of which China is still supposed to possess the third largest store in the world, "the record of coal exploration and mining has been one of continuous disappointment and shrinkage in estimates." If Americans had invested in railway enterprise in China to the same extent as the British, there would have been no less dismal a tale to tell. The chapter on the "Battle of the Bankers" describes the part played by America in the struggle for investments in China as a story of futility and defeat. All the fuss was not worth the candle and Mr. Field views with regret the prospect that, in future, America will still have surplus goods and capital to export and will continue to be interested in the China market.

This brings us to the chapter on the "Open Door," perhaps the most valuable chapter in the book. Mr. Tyler Dennett, author of the definitive life of John Hay, gives an unbiassed and objective account of America's traditional policies in the Far East, namely, the policies of the open door and the integrity of China enunciated by John Hay in 1899 and 1900. The American people, after their recovery from the panic of the '90's and their victory over Spain in 1898, were filled with a spirit of altruism and a sense of responsibility for the condition of

the world. It was this crusading spirit that encouraged John Hay to enter on an active Far Eastern policy in a partnership of beneficence with England—a policy which at the same time, quite properly and legitimately, aimed at promoting American interests. But, as John Hay himself was to discover, the citizens of the United States remain at heart too much a non-interventionist people to make it possible for any American Government to sustain a vigorous policy abroad. Even the Stimson doctrine of non-recognition smacks too strongly of intervention and it is doubtful whether the American people will sustain it. At one time they believed that their appointed rôle was to carry Christianity and republican institutions into other lands, but they are now beginning to wonder whether there is any moral obligation on them to impose on others a form of government that they do not desire and cannot maintain. Mr. Tyler Dennett now thinks that it was a delusion to suppose that the Open Door and the Integrity of China helped the sale of American goods. If China is broken up or the door is closed, the needs of her people will remain the same and every trading nation will share directly or indirectly in whatever trade may be going. It is for the American people to decide whether the material profit from maintaining the open door and the integrity of China will ever offset the outlay.

There are plenty of crusaders in England who believe that all that is needed to set the world to rights is the close cooperation of England and America, and nowhere do they think could such cooperation be better applied than in a vigorous policy in the Far East. All such would be well advised to study the doctrines expounded in the chapter on the Open Door in this book.

There are excellent chapters also on China, Japan, Siberia and Missionaries. Mr. Lattimore is mildly pessimistic about China and refers to her history of chronic defeat and repeated subjection. Mr. John E. Orchard is also mildly pessimistic about Japan's dilemma—the need for raw materials and new markets—but thinks that she will have a great advantage in the Asia market, where there may be a spectacular boom in trade. The possibility of renewed Japanese aggression on China is nowhere touched upon, but as regards Japan and Soviet Russia the view is expressed that the latter's need for peace is so urgent that there will be no war, but even if there is a war the rest of the world will not be involved. JOHN BRENT.

81*. THE MONGOLS OF MANCHURIA. By Owen Lattimore. 1934. (New York: John Day Co. 8vo. 311 pp. $2.50.)

A FEW years ago it was generally believed that Manchuria was destined to be the battle-ground of three conflicting civilisations. The blow struck by Japan in 1931 had the effect of shifting the centre of gravity further west, and it is in and over the region known as Inner and Outer Mongolia that the long-drawn conflict between Japan and Russia will eventually be fought to a finish. It is important, therefore, to understand political developments in Central Asia which, though apparently so remote and so obscure, have, in fact, already swept into the main current of world affairs, and it is fortunate that a scholar so well equipped for the task as Mr. Lattimore has undertaken the study of the tribal history of the Mongols and their relations with their neighbours.

The results of Mr. Lattimore's more recent researches are embodied in this volume. He gives much detailed information—in the aggregate

of great importance—of the history and distribution of the various Mongol tribes. He also throws a new and somewhat unfavourable light on the Chinese colonisation of Manchuria, of which so much has been heard. This, he says, was to a great extent merely the seizure of land already cultivated by the Mongols, and he points out that the pastoral economy of the Mongols is of a higher type than the low-grade, undiversified agricultural economy of the Chinese immigrant. The Chinese immigrant had no tradition or aptitude for the raising of live-stock nor did he engage in manufacture, mining or forestry. A trickle of Chinese immigration did no harm, but when they came in hordes and brought with them the disastrous economic and social forms of landlordism and economic subjection to the land, they under-lived and displaced the Mongol population, with a consequent fall in the standard of living, the concentration of wealth in the hands of a few Chinese officials and a great increase in banditry.

Mr. Lattimore's main thesis, however, is that Mongolia never belonged to China. The Mongols joined the Manchus as allies and both Mongolia and China owed allegiance to the Manchu Emperor. When the Empire fell the essential link was broken; Outer Mongolia automatically became independent, but for Inner Mongolia this unfortunately was no longer possible. In the seventeenth century the Mongols of Inner Mongolia occupied about half Manchuria and most of Jehol. The tribal power of the frontier was the basis of the power of the Manchu Empire, and care was therefore taken to prevent the influx of Chinese settlers and the spread of Chinese civilisation. Later the character of the Empire underwent a change. It became Chinese with a tendency to treat the Mongols as subjects and to thrust outwards into the frontier regions in order to keep back the growing menace from Russia and Japan. In the last quarter of the nineteenth century the Chinese began to pour into Manchuria. In the twentieth century railways and modern arms provided them with irresistible weapons and the stream became an overwhelming flood. The Mongols, betrayed by their own Princes and treated with gross cruelty and injustice by the Chinese, were driven back until by 1931—when Japan intervened—they had lost two-thirds of their territory in Jehol and half their territory in Manchuria.

In the meanwhile abortive efforts had been made from Outer Mongolia to restore the unity and independence of all the Mongol tribes, but in 1919 a new situation developed as the result of the revolution in Russia. One of the worst of China's Tuchuns, a notorious ruffian known as "Little Hsü," led an expedition to Urga and a raiding force of White Russians, Mongols and Tibetans also entered Outer Mongolia and set up a government which collapsed because of the savagery of its leader Ungern, known as the "Mad Baron." The Soviet army then appeared on the scene as the saviour of the Mongols from both these scourges. A revolutionary Government of young Mongols having been set up with their support, the Soviet forces wisely withdrew and this Government has remained in power ever since.

The Japanese in their Mongol policy have endeavoured to rival the wisdom and generosity of Soviet Russia. As an alternative to submission to the revolutionary Government in Outer Mongolia they have set before the eyes of the Mongols the ideal of a return to the old tradition of the Lama Church and a restoration of the Mongol Princes as the natural leaders of the people under the overlordship of

the legitimate Manchu Emperor. Almost their first act in Manchuria was to form all the as yet uncolonised Mongol lands beyond the network of railways into the province of Hsingan, stretching from the Amur to Jehol, where the Mongols enjoy almost complete autonomy under their own Princes with a minimum of Japanese control or interference. Opposed to this conservative ideal of Inner Mongolia is the revolutionary ideal of Outer Mongolia where the younger generation, drawing their inspiration from Soviet Russia, believe that independence can best be maintained by the creation of new social forms adequate to the life of a modern nation in the modern world. For geographical and tribal reasons there has always been a cleavage between Inner and Outer Mongolia. Mr. Lattimore believes that a clash between these two ideals is inevitable, that tribal fighting may break out at any moment and that Japan and Russia must inevitably be drawn into the conflict. JOHN BRENT.

82. CONFUCIUS AND MODERN CHINA. By Sir Reginald F. Johnston. 1934. (London: Victor Gollancz. 8vo. 272 pp. 8s. 6d.)

THIS brief volume is full of wisdom, a wisdom compressed and subtle, having the authentic Confucian spirit and style. It is a joy to read, both along and between the lines, and imparts true education, not only as regards China, but the wide humanities. The author is both scholar and statesman, the Confucian ideal of human excellence; he has been tutor to the Emperor Hsuan-t'ung, and administrator of the leased territory of Wei-Hai-Wei. He has carried on a lifelong *fronde* against missionary intolerance, ignorance, presumption and bad taste. He is almost a Confucian himself ("scholarship, right conduct, loyalty to duty and sincerity"); and he will convert a number of his readers to his immense respect for what he calls the *philosophia perennis* (the "Great Tradition") of the Chinese race.

For "the Sage" is not a dusty pedant but a living force. His secular authority, so it seemed, was shattered by the Revolution of 1911 and lost in the tumult which followed. But Sir Reginald Johnston sees signs of revival both in the "New Life Movement" recently inaugurated by Chiang Kai-shek, and in the Wang Tao [Royal Road] principle upon which the polity of Manchukuo has been founded. Indeed, this volume opens in the name of Chêng Hsiao-hsü, the scholar premier of Manchukuo; and concludes with the interesting suggestion that something more than soya beans and future wars may be growing in the Manchurian soil.

"Inasmuch as Wang Tao is essentially anti-nationalistic and anti-militaristic, it seems hardly likely that Japan, which is rightly or wrongly credited in Europe and America with being the embodiment of extreme nationalism and militarism, would encourage the growth of ideas of world-brotherhood and universal peace which, once accepted in Manchuria, might easily spread to Japan. It is indeed a significant fact that the principles of Wang Tao have already begun to influence Japanese political thought to an extent which some of Japan's military leaders may find embarrassing."

This book, however, is not a political treatise or prophecy, but an easily readable handbook to some of the leading ideas in the Confucian philosophy, such as filial piety, the relationship of teacher and pupil, the ancestor cult, political loyalty, music and ceremonial ("*Yuĕh*" and "*Li*"; the most interesting chapter of all). It concludes with a brief historical sketch and an estimate of the present position of Confucianism in China. It is completed by sixty pages of notes and references; even these are discursive, yet compact, *i.e.* in perfect

keeping with the author's classical yet brilliantly individual style. The book comprises the Lewis Fry Memorial Lectures, delivered at Bristol University in 1933. "Western critics of Oriental systems," the author observes truly, "too often content themselves with analysis, but skill in analysis does not necessarily accompany the synthetic gift of intuition or intellectual sympathy." He himself possesses both the intuition and the sympathy required by his high theme. One feels that on the slopes of T'ai Shan and in the groves of Ch'u Fou he has heard an echo of the lost music of Shao, so that, like the Master in similar circumstances, "for three months he did not know the taste of meat." P. J.

83. THE CHINESE RENAISSANCE: The Haskell Lectures, 1933. By Hu Shih. 1934. (Chicago University Press; London: Cambridge University Press. 8vo. xii + 110 pp. 7*s*.)

As one of the most articulate voices of New China, Professor Hu Shih commands attention. These six lectures deal with the following subjects, all of fundamental significance: Types of Cultural Response (*i.e.* the contrast between the Chinese and the Japanese answer to Western knowledge), Changes in Chinese Conceptions of Western Civilisation, The Chinese Renaissance (*i.e.* the rise of *pei-hua* or colloquial literature as a rival to the classical style, a reform which owes so much to Professor Hu Shih himself), Intellectual Life, Past and Present (*i.e.* the scientific spirit as the basic difference between Hellenic and Chinese philosophy), Religion in Chinese Life ("a hard-working, simply living, but never wildly imaginative people, they had no time to indulge in speculation about the ways of the gods, or in effusive praises of the wonderful benevolence of heaven which they never enjoyed"), Disintegration and Readjustment (including interesting pages on the rearrangement of the social classes, the breakdown of the old family and the changed status of woman in the family and in society).

Professor Hu Shih is a Chinese scholar in direct descent from Confucius' "superior men." He does not seek to air the grievances of his distressful country, or to prove by ingenious special pleading that everything would have been so much better if it had only been otherwise. His vision is clear, and his digestion is strong enough to absorb realities. He does not despair of his country. He has done great and memorable work in delivering it from the yoke of a dead idiom and in giving it a living language for the expression of its new ideas. But he has no illusions and his enthusiasms are guarded. "A gentleman," says Confucius, "sorrows not, nor fears. As long as he finds no inward fault, why should he sorrow, and what should he fear." P. J.

84. CHRIST AND JAPAN. By Toyoshiko Kagawa. Translated by William Axling. 1934. (London: Student Christian Movement Press. 8vo. 126 pp. 2*s*.)

THE authentic miracles of Christianity are the lives of the Saints. Kagawa's life is such a miracle. According to his own phrase, he has "crossed the death-line." But in the world beyond that frontier he has not relaxed his intense sympathy for suffering humanity. Like Ste. Thérèse of Lisieux, he can say: "*Je passerai mon ciel à faire du bien sur la terre.*" There is something notable about everything that Kagawa writes; he speaks with authority and not as the Scribes. This book about his own country, his own people and his own faith is

extremely interesting. It should be regarded as essential for anyone concerned in foreign missionary work, either as supporter or as critic. It provides the essential answers to the questions, (1) Are foreign missions any use, and (2) Do foreigners want missionaries or are they an impertinent interference?

Then, it is of valuable help in understanding Japanese character in its present phase. "Religion still holds its own as a major interest of the Japanese mind and heart." This is an important factor seldom realised in the West, which is inclined to regard the Japanese character as materialistic and self-seeking. Japan is a very dynamic country in a period of vigorous growth. Already the Christian influence is by no means negligible (of thirteen Ministers in the Saito Cabinet of 1932 no less than seven had Christian wives, and one was himself a Christian); and it is possible, so Kagawa thinks, that a Japan predominantly Christian might make better use of the privilege than have the "Christian" peoples of the West. He quotes in this connection the present Emperor's New Year poem for the 1st January, 1933:—

> "In prayer pleading
> To the God of heaven and earth
> For a world without a wave
> Calm as the sea at dawn."

The militant moods of Japan fill Kagawa with alarm and distress. His idealisation of the cooperative movements is open to question, not as regards sincerity, but as regards practicability. This is the direction in which he looks for the realisation of the Sermon on the Mount in the modern economic world. The book is cheap, brief and readable, and should be missed by no one who is interested in its high theme.

P. J.

## THE UNITED STATES

85*. The Challenge to Liberty. By Herbert Hoover. 1934. (London: Scribners. 8vo. 212 pp. 6s.)

Statesmen retired against their will are in the habit of telling an ungrateful world all the great achievements with which they ought to be credited. An American ex-President who has not served his second term would be much more entitled to such a course than a defeated European Premier. For (whilst he is in the White House) his power is ever so much greater and his return to it ever so much more difficult.

There is no note of querulent self-justification in Mr. Hoover's book. It is not an apology for failure, but a dignified and lucid exposition of his creed as a liberal. His liberalism is the liberalism of the "Declaration of Independence." It is based on equality of rights and on equality of opportunities, but not on equality as such.

Mr. Hoover ascribes the great achievements of the United States to the prevalence of this independent, economic individualism. He sees it threatened by rival systems of Socialism, Communism, Fascism and Nazi-ism. The value of his book does not lie in the short exposition of these various creeds, but in an extremely shrewd criticism of the "Regimentation" which has come into force in the United States. Mr. Hoover acknowledges candidly the gravity of the situation which his successor had to face, he is quite willing to make allowances for temporary measures for fighting the crisis; but he is frightened of the enormous powers which have been given to the President and which have enabled him, or, maybe, forced him, to create a huge national

ıreaucracy. The permanency of this bureaucracy is a threat to merican liberty. It is bound to corrupt the legislative bodies, for, it can bring great pressure to bear on the various business groups hich are dependent on its activities, these groups, in their turn, will ek to influence the Assembly men and the Senators whom they send Congress in order to watch over their interests. Mr. Hoover has me to the conclusion that politics cannot run a business, but he dly acknowledges that business men can run politics. The book is ll of terse phrases describing the workings of the American body olitic. It is a sane and sound criticism of the dangers lying ahead. is a little too lenient towards the past government, for intervention income-mongering under pressure of powerful interests did not start ith the depreciation of the dollar or with the New Deal. Mr. Hoover's scription of the consequences of a managed currency on the political stem of a democratic country is almost classic; but it was the merican business man whose protectionism inaugurated political rruption, log-rolling and lobbyism long before the New Deal. And ie Republican Party which Mr. Hoover led was mainly responsible r this policy.

Mr. Hoover was supposed at one time to have strong inclinations wards the democratic party. His failure to give way to them may count, in part at least, for the difficulties of his presidential career. sincere liberal in the American sense of the word, he became the ader of the Republican Party in which little liberalism was left. The d guard were reactionaries who believed in monopolistic control by g business. The progressive wing of the party aspired towards a mild rm of State Socialism, evolved from the Wisconsin idea. Mr. Hoover , as shown by his book, much more of an up-to-date Jefferson than an p-to-date Hamilton. He considers himself the champion of the nallish independent business man who has been all along the ideal of ie American nation. But he had chosen to associate himself politic-ly with groups and tendencies striving to make the United States land of big corporations, ruled by captains of industry. And when ese captains had shown their ineptitude in managing their own usinesses successfully and had plunged the country into the great epression, Mr. Hoover, as their leader, was snowed under an avalanche f political and economic discontent, though, as this book shows learly enough, he was scarcely in sympathy with them.

M. J. BONN.

6*. AMERICAN DIPLOMACY DURING THE WORLD WAR. By Charles Seymour. 1934. (Baltimore: The Johns Hopkins Press; London: Humphrey Milford. 8vo. xii + 417 pp. 13s. 6d.)

As is pointed out in the preface, the title of this book is slightly nisleading. It deals only with American policy as related to the European belligerents: the Far Eastern question, for instance, is ntirely omitted.

The narrative follows very closely the lines of the four volumes of Colonel House's papers, edited by the author. It could hardly do therwise, since it was through the Wilson-House relationship that olicy was shaped during the fifty-two months from August 1914 until he Armistice, where the book ends. Thus the present work is, in the nain, a very useful compendium of the material set out at greater ength in the *Intimate Papers*. There is, however, a certain amount f new material. Professor Seymour has had access to President

Vilson's side of the House correspondence, the publication of which as not been permitted by his literary executors, and the occasional—ut too brief—extracts given from these are very revealing. One of hem is worth citing—from a letter written to Colonel House before e sailed to Europe on his fruitless mission of mediation in December 915 : " The only guarantees that any rational man could accept are a) military and naval disarmament and (b) a league of nations to secure ach nation against aggression and maintain the absolute freedom of he seas." Here we have the germ of much later history. Incidentally, Professor Seymour does not seem even now to realise that the Presilent's project of a " negotiated peace " was at no moment possible intil the German General Staff had ceased to control policy—*i.e.* till October 1918. This is confirmed, if it needed confirmation, by the State Department documents, of which use is also made in the iarrative.

The author sent his manuscript to a small group of persons in Great Britain and Germany (why not France also?) for comments. Some of these are of considerable interest, particularly the explanation iven by Lord Lothian (p. 391) as to the drafting of the reparations ormula inserted in the Pre-Armistice Agreement.

ALFRED ZIMMERN.

7*. THE IDEA OF NATIONAL INTEREST: an analytical study in American Foreign Policy. By Charles A. Beard, with the collaboration of G. H. E. Smith. 1934. (New York and London: Macmillan. 8vo. vii + 583 pp. 16s.)

THIS book originated in an academic thesis which inquired into the ature of the term " national honour." The discovery that this simple xpression was open to numerous and often conflicting interpretations ed the Social Science Research Council to invite Professor Beard to ndertake a larger investigation in the same field. The result is a olume of unusual interest both as to the motive and the substance f American foreign policy. The latter is treated analytically rather han chronologically; the book thus becoming a series of well-docuiented monographs, chiefly on economic foreign policy. Unity is reserved by the guiding thread of motive. Professor Beard's thesis is hat there have throughout been two distinct modes of interpreting merican " national interest," the Jeffersonian and the Hamiltonian, hat since 1929 both these have become involved in a deadlock and hat now " fragments of a new conception of national interest " (*i.e.* a ew national policy, both foreign and domestic), harmonising Hamiltonian economic imperialism with Jeffersonian concern for armers and planters, has made its appearance in the measures of the resent administration. Whatever may be thought of this, British eaders will find the book invaluable both as a storehouse of information nd for its penetrating comments, spiced with the author's characteristic cynicism.

A. Z.

8*. POLITICAL AND SOCIAL GROWTH OF THE UNITED STATES, 1852–1933. By Arthur Meier Schlesinger. 1933. (New York and London: Macmillan. 8vo. xi + 564 pp. 15s.)

REVISING the version of the first edition published in 1925, Professor Schlesinger brings his study of the political and social growth of he United States up to the birth of N.R.A. and the hope inspired in he summer of 1933 of a revival in industry. There is much of interest

in this attempt to trace through political developments the working of the deeper social forces in a population which increased from 23,000,000 to over 120,000,000 during the period under review, and the reader occasionally regrets that more time and space cannot be devoted to the elaboration of certain problems; but presumably five hundred pages and more are considered sufficient for any book nowadays, and the author has in any case found room for a comprehensive bibliography at the end of each chapter and for the entire Constitution of the United States, including Article XXII decreeing the abolition of child labour.

Chapter XI, on Humanitarian Striving, 1865–1900, begins with the assertion that the rank and file of organised labour are wage-conscious, not class-conscious, demanding a better chance to become capitalists, so much so that in early days socialist labourites and socialist democrats failed to cut ice or gain votes, and even Henry George and Edward Bellamy made relatively few converts at a period when what we should call the middle class was increasing by leaps and bounds and little or no evidence was to be found of extreme human misery and despair. The big growth in the power of organised labour came in the first fourteen years of the present century, during which time the membership of the American Federation of Labour, formed in 1881 and reorganised in 1886, increased from 550,000 to 2,000,000 and, as a result to a great extent of one strike after another, wages advanced and the work-day was shortened, except on the railways and in the steel industry, to eight hours. In 1916 independent action on the part of the great Railway Brotherhoods led to the hurried enactment of the Adamson Law, under which ten hours' pay was accorded for the first eight hours' work, with additional wage for over-time.

By 1920 the Federation counted four million members, but during the following years of prosperity, " as profits of industry climbed ever upward, employers not only exerted themselves to ensure a contented labour force, but many of them accepted the doctrine that high wages (and hence enhanced purchasing power) formed an essential element in the reigning prosperity." The membership of the Federation fell by 1929 to 2,900,000 and the Federation itself is described as a declining force in the industrial world at that time.

But the coming of N.R.A. in 1933 changed the outlook and gave the Federation, and labour generally, an unexpected " boost " which caused, and is still causing, intense anxiety to the vast majority of employers. When Professor Schlesinger prepares the fourth edition of his valuable work he may find it necessary to devote considerable space to the effect of N.R.A., and the method of its enforcement, on the relations between Capital and Labour. LEGER.

89*. THE UNITED STATES AND CUBA: a Study in International Relations. By Harry F. Guggenheim. 1934. (New York and London: Macmillan. 8vo. xvii + 268 pp. 10*s.* 6*d.*)

THIS book reviews the somewhat romantic relations which have existed between Uncle Sam and the temperamental Miss Cuba. From behind her fan the latter gazed longingly at the gentleman who, from a comparatively tender age, even while under the tutelage of Thomas Jefferson, returned the glance; but it was not until 1898 that the lady was freed from the Spanish embrace and succumbed, not unwillingly, to the charms of her now husky neighbour; yet, writes ex-Ambassador Guggenheim, " the echoes of the propaganda to get the Americans

into the country had hardly subsided before a new propaganda had started to get them out."

It is a readable treatise dealing concisely with historic events and presenting a somewhat elaborate account of Cuba's economic position. The author naturally writes from the American standpoint and emphasises Cuba's inability to govern herself, but he reveals a sincere and warm admiration for the Island and its inhabitants and, when he feels bound to deplore the uncompromising and corrupt political practices of a country which, if it " could have ten years of honourable and moderately wise government, would be converted into a veritable paradise," he frankly suggests that municipal corruption in Cuba is no worse than it is, for example, in Chicago.

But, unfortunately for the author, though let us hope fortunately for Cuba, much of the book is already out of date, particularly those portions devoted to the Platt Amendment, which has recently been withdrawn, and to conditions in the sugar trade which are now undergoing a radical change by reason of the tariff reductions decreed by the United States Government. LEGER.

90. LABOR AND STEEL. By Horace B. Davis. 1934. (London: Martin Lawrence. 304 pp. 6s.)

THIS volume is one of a series on American industries prepared by the Labour Research Organisation, a body devoted to gathering and interpreting economic material for the Labour Movement. The volumes are dedicated to the militant workers who are fighting against the capitalist forces. *Labor and Steel* is, therefore, deliberately one-sided, and is calculated to intensify class conflict.

The questions treated include wages, standards of living, hours of work, unemployment, the structure and profits of the industry, trade union organisation, and industrial disputes.

Steel is described as the key industry of the nation both for the production of capital goods and for war materials, employing over half a million wage-earners, or almost one-third of the world's iron and steel workers. In the chapter on wages certain comparisons are made between British and American rates, but the data are too incomplete to enable conclusions to be reached about relative levels. Cyclical depressions of trade seem to have resulted in more severe distress in the United States than in Great Britain owing to the absence of unemployment insurance, though the steel companies have participated in various relief schemes. It will be remembered, however, that Mr. Davis is mainly describing unemployment and low earnings at the bottom of the worst depression in history.

American steel interests are accused of using the American tariff to extract high prices at home and to dump steel at lower prices in other countries, a policy which has resulted in the raising of protective tariffs abroad. Since 1923 about 10 per cent. of American production of iron and steel has been exported, this being much less than that of other chief producing countries, and Mr. Davis foresees little prospect of the United States increasing her steel exports.

The great steel companies are charged with stirring up national feeling in their own interests and with endeavouring to thwart progress towards disarmament. It would, however, be difficult to substantiate the statement that the present programme of naval construction by the United States Government has resulted in a fierce naval race with Great Britain. The interwoven ramifications of finance and

industry are well illustrated in the chapter on the so-called "Steel Trust."

Even allowing for the bias of Mr. Davis's account, the discontent and distress revealed among the workers offer a justification for President Roosevelt's insistence upon a comprehensive industrial recovery programme urgently and energetically applied. The book was, however, written too early for accounts to be included of the value to the trade union movement of the collective bargaining clause of the National Industry Recovery Act, and of the consequences of the Steel Code introduced under this Act. J. HENRY RICHARDSON.

91*. WILL ROOSEVELT SUCCEED? A study of Fascist tendencies in America. By A. Fenner Brockway. 1934. (London: Routledge. 8vo. vii + 248 pp. 6s.)

THIS is a gloomy book, and it has the defects of what used to be called a "pot-boiler," with the added disadvantage that the outlook of the writer is not impartial. The structure of the book is poor. But, worse still, haste and prejudice have allowed inaccuracies to creep in—so numerous and serious that one is led to wonder how much of what cannot be verified is true. The big fact dominating all others to Mr. Fenner Brockway is the general economic collapse of competitive capitalism. For him there are only two solutions, the Fascist solution of Germany and the Socialist solution of Russia. His contempt for Great Britain, which is not concealed, is due to his recognition that we are, as he calls it, "muddling through" without adopting either extreme solution. The greater our success, the less he can forgive us. And so far as America can recover without falling a victim either to the Scylla of Socialism or the Charybdis of Fascism, Mr. Brockway is correspondingly distressed.

Now for three samples of inaccuracies. 1. The suggestion that the partners in the Morgan firm evaded income tax between 1930 and 1932 was disposed of at the inquiry. As Mr. Brockway should know, the American system of taxation regards capital appreciation as income for taxation purposes and similarly allows capital depreciation to be taken into account. (2) The British Exchange Equalisation Fund has never been used, as Mr. Brockway suggests, to peg the £1 down to the level it reached in 1931. (3) "The shock that revolutionised the social philosophy of America," to use Mr. Brockway's phrase, was not the Bank failures in March 1933 so much as the unemployment which pervaded all classes in 1932. This is clear from the enormous majorities obtained by President Roosevelt in the election of 1932 before the Bank crisis culminated. During the last fifty years America has had many Bank failures. But the unemployment and distress which pervaded all sections of the population in 1932 were without parallel in America during the last fifty years. Mr. Brockway pays a well-deserved tribute to the courage of President Roosevelt, but fails to realise how his efforts are hampered by a hastily improvised Civil Service.

C. WALEY COHEN.

92*. RÉVOLUTION AMÉRICAINE. By Pierre Lyautey. 1934. (Paris: Hachette. 8vo. 248 pp. 12 *frs.*)

THIS little book is more than bright journalism. If the treatment of economic and administrative questions is rather superficial, the book has many interesting and novel points. The reactions of an acute French observer to American manners and customs are refreshing, and

M. Lyautey does full justice to the contrast between the old culture of France in republican dress and the raw, vigorous republican system of America.

M. Lyautey gives a pleasing picture of both President and Mrs. Roosevelt, and does full justice to the skilful use of broadcasting by the President. In America—in contrast with the "prisoner of the Elysée in France," as M. Lyautey points out—the President's public and private life during his four years of office are spent with spotlights of publicity continuously concentrated upon him. President Roosevelt's smile, voice and manner are particularly suited to this atmosphere, both at interviews and on the radio.

M. Lyautey has a striking chapter on the intellectual and social effects of the depression. Shortly, his view is that since the depression America is seeking to find herself on a healthier and more natural basis.

C. WALEY COHEN.

93. THE COMING AMERICAN BOOM. By L. L. B. Angas. 1934. (London: St. Clements Press, Ltd. Fscp. 35 pp. 5s.)

MR. ANGAS has a plentiful crop of prophecies to his credit, and a prophet, however successful, is apt to be confused with a tipster in the popular mind. The title of the present publication is possibly, therefore, a little unfortunate, since it may frighten away readers. The fact is, however, that Mr. Angas gives in concise and clear language an excellent exposition of the financial side of President Roosevelt's policy. Mr. Angas is no blinkered optimist, and puts the American silver policy in its due political setting. The book has many virtues—not the least being the excellent charts and summaries of figures. The real dangerous background of want, collapse and political unrest against which President Roosevelt had to work is not unduly minimised. The improvement already achieved is given adequate but not undue weight. Mr. Angas rightly points out that when industry is as sick as it was in America in March 1933, the full effect of remedial measures may take time to work. There will necessarily be ups and downs during the period of convalescence. Part II, a small appendage on "Stock Market Aspects of Roosevelt's Policy," is the least convincing and interesting part of the book.

C. WALEY COHEN.

94. TREATIES DEFEATED BY THE SENATE: a study of the struggle between President and Senate over the conduct of foreign relations. By W. Stull Holt. 1933. (Baltimore: Johns Hopkins Press. Oxford University Press. 8vo. 328 pp. 13s. 6*d*.)

THE framers of the American Constitution of 1787 did not realise that, in their desire to strike a nice balance between the legislative and executive powers, the requirement of a two-thirds majority in the Senate which they were imposing for the ratification of treaties would in effect result in a perpetual struggle between the President and the Senate for the control of American foreign policy and the treaty-making function. The examination of all the international treaties submitted to the Senate from 1789 to 1920, which the present book admirably discusses, shows that considerations mainly dependent on domestic issues and political partisanships were responsible for the rejection of many treaties whose ratification would otherwise have seemed to offer distinct advantages to the United States. This situation has been vividly described by John Hay :—

"a treaty entering the Senate is like a bull going into the arena; no one can say just how or when the blow will fall—but one thing is certain—it will never leave the arena alive."

The amendments to which a great majority of the treaties were subjected during their passage through the Senate may, in fact, be said to have killed the treaties, since the provisions of an international treaty generally follow upon long and detailed diplomatic negotiations and represent concessions made by each contracting party for the purpose of reaching an agreement. In such circumstances, to amend a treaty is practically to vote against it, since the foreign government, having already accepted the maximum of concessions, finds itself precluded from submitting to further alterations.

The author gives us an excellent exposition of the history preceding the conclusion of treaties and the discussions arising from their debate in the Senate, and his book is the more valuable as it contains useful information difficult of access in view of the secrecy surrounding the ratification of treaties by the Senate. His clear and terse examination of the Treaty of Versailles illustrates—better perhaps than any other debate—the bitter conflicts between the President and the Senate over the vindication of their respective constitutional powers. It is true that the initial mistake made by President Wilson was his insistence to combine in one document two entirely distinct matters—the establishment of the League of Nations and the conclusion of the Treaty of Peace with Germany. The Treaty of Peace concerned solely the belligerent countries. The Covenant of the League, on the other hand, purported to embrace all the nations of the world, whether belligerent or neutral. To unite those two objects was to compromise both of them and, in the special case of the United States, to bring against them all the divergent forces in the Senate based on domestic politics, the contest over the treaty-making power, the personal hostility of the Republican Senators against President Wilson and their strong desire to revert to the American traditional policy of isolation.

In his conclusion the author takes the definite view that the part which the United States is destined to play in world affairs is seriously endangered by the present constitutional system which, instead of rendering possible the ratification of treaties solely on their merits, produces a deadlock between the legislative and executive powers and results in friction and impotence. C. JOHN COLOMBOS.

95. FASCISM OR SOCIALISM. By Norman Thomas. 1934. (London: Allen and Unwin. viii + 249 pp. Cr. 8vo. 7*s.* 6*d.*)

IN a book by this prominent American socialist, one naturally turns first to his criticism of President Roosevelt's New Deal. It is drastic but courteous. The whole scheme, Mr. Thomas considers, is merely a move from the old discredited *laissez-faire* capitalism to State capitalism. The banking purge offered a great opportunity for real control, and the opportunity was lost. The A.A.A. is merely a satire on civilisation, with its wholesale destruction of food in a hungry world. The N.I.R.A. was certainly a more constructive step; but the Codes are being flouted, and unemployment remains terrible. The grants for Public Works have been badly handled, and would have been more usefully employed in a great housing programme. Debt is rising, and everything points to relief being sought for by inflation instead of by the simpler device of a Capital Levy. And finally, the New Deal is allied to economic nationalism, which constitutes the greatest danger to the world's peace to-day.

Mr. Thomas fears that, as the United States can never go back to the old capitalist system and cannot greatly extend the New Deal, it may be tempted to toy with Fascism; and then good-bye to even the modicum of democracy, liberty and tolerance which the old Capitalism permitted. The alternative is the "cooperative commonwealth"; but Mr. Thomas extols this rather as an ideal than a probability. It would mean big changes in the constitution of the United States, and a wave of enthusiasm which is not in sight. Personally, he would gladly join hands with the Communists, but he dislikes their violence and their subservience to Russia. Leadership too is wanted, as was the case in Germany; and the largely negative doctrines of Marxism will have to be supplemented by a more positive policy. Mr. Thomas makes his points effectively and with much quiet humour; but he seems very uncertain of the recruiting prospects for the army which he would fain lead. MESTON.

96*. THE PRESIDENTIAL VOTE, 1896–1932. By E. E. Robinson. 1934. (Stanford, California, University Press. London: Milford. 8vo. 403 pp. 10 maps. $6. 27s.)

An exhaustive study of the distribution of the presidential vote for the ten elections of 1896–1932, giving a complete compilation in maps and tables of the returns by counties.

## LATIN AMERICA

97*. SOUTH AMERICAN PROGRESS. By C. H. Haring. 1934. (Harvard University Press; London: Humphrey Milford. 8vo. ix + 241 pp. 10s. 6d.)

As "a survey of the political evolution of the principal republics of South America and their international relations since the achievements of independence," these chapters of Professor Haring admirably fulfil their purpose. He takes such tangled courses of events as those leading up to, and consequent upon, the War of the Pacific, and the vicissitudes through which modern Argentina has emerged from the dictatorship of Juan Manoel de Rosas, and demonstrates the fact that there have been reason and purpose behind these complicated stories. Such studies are of undoubted value in helping Anglo-Saxon America to a due understanding and appreciation of its Latin neighbours. Had Professor Haring followed the line of thought in his preface, wherein he admits that the greatest significance of Latin America is not commercial nor economic, and included a survey of the forces that have moulded the Latin American mind, giving account of its form of expression in thought and art, he would have enhanced the value of his book and more fully achieved his purpose of promoting international appreciation. J. DUVAL RICE.

98*. THE FOREIGN DEBT OF THE ARGENTINE REPUBLIC. By Harold Edwin Peters, Ph.D. 1934. (Baltimore: The Johns Hopkins Press; London: Humphrey Milford. 8vo. ix + 186 pp. 9s.)

DR. PETERS has set out, in his own words, "to examine the export of capital as related to the finances of the Argentine Republic." The result is a compact volume, of particular value as a work of reference. It is perhaps to be regretted that Dr. Peters deliberately limited his field, and did not find himself able to draw a picture of the influence of foreign capital on the development of economic activity in Argentina, or to analyse the inter-relationships of capital movements and the

Argentine balance of payments at some length. But it is obviously unfair to complain, when someone sets out to write a book on one subject, that he did not set out to write about others. Within its limits this is a thorough and effective piece of work. Of special interest are figures showing the large spread between the price paid over by the bankers to Argentina and the price at which loans are issued to the investing public, and Dr. Peters' conclusion that the depreciation of the peso has played a large part in mitigating the effects of depression on that country. This latter conclusion makes him sceptical of certain far-reaching proposals for financial reform—in particular for the setting up of a central bank independent of direct government control.

" Possibly the government finances would have been forced to a higher plane by a severance of connections with the state bank; private institutions might have been placed in a stronger position, requiring smaller reserves for safety. But the decline of agricultural prices could not have been affected in any way, since the Argentine must remain purely passive in its relation with world price-levels. More than likely the central bank, had it existed from 1928 to the present, would have made vigorous efforts to keep the peso at par with the gold currencies. In the writer's opinion, this would have had much more disastrous effects than the policy actually followed. That Argentina suffered so little from the world depression, in spite of the fact that the country produces those commodities whose values were most seriously affected by price declines, must be at least in part attributed to the behaviour of the peso."

A. T. K. GRANT.

99. THE COMING OF SOUTH AMERICA. By Henry Kittredge Norton. 1933. (London: Allen and Unwin. 8vo. 300 pp. 15s.)

THE author of this book spent several months of 1931 in South America as representative of the Carnegie Endowment for International Peace. His book is in large part a study of the relations, both economic and political, between the United States and the Republics of South America, omitting Venezuela and Colombia. As such it is well worth reading and if some points are selected for comment here, it is because the book is worthy of much more than a passing glance.

Many will think that the accounts of the upheavals of the last few years occupy a disproportionate amount of space; and in some cases the inferences that are implied have been belied by subsequent events. However, the contemporary historian, in South America at least, can hardly hope for infallibility. But it seems a pity that such issues as, for example, the question of " cultural development " could not have been isolated from their relations to the world of political or economic affairs and discussed for their own worth. Indeed, although the book treats of these inter-relations fairly extensively, the attempt to evaluate South American " culture " falls below the author's usual level. For example, it is misleading to assert that Argentina has no more in common with the Caribbean countries than the United States. Is Ruben Darío to be dismissed by such a statement?

But an appreciation of a book such as Mr. Norton has given us is largely a matter of point of view. The facts are nearly always accurate and useful; neither have any been suppressed in order to aid the argument. The analysis, even in the space the author has taken, is often of less value. Thus, there is a vast difference in the background, cause and nature of the various dictatorships, historical and modern, just as the term " intellectuals " is increasingly not to be limited to armchair theorists. And a fact such as is contained in the statement that it is often literary exiles who, for very small remuneration, write the editorials in Argentine papers is obviously open to several explanations.

There are some neat phrases. Bolivia's seventy presidents "by some counts" is certainly an apt description of political chaos. Occasionally the author descends to a gibe. It is quite irrelevant in a work of this nature to comment on the fact that of the capitals of two belligerent States, the name of one means "Peace" and the other the "Assumption of the Virgin." But taking this work as a whole, Mr. Norton has said much that could be read with profit by many of the "intellectuals" in South America whose attitude he resents.

K. G. GRUBB.

100. LE RÉGIME PARLEMENTAIRE EN BOLIVIE. By Franklin Antezana Paz. 1933. (Paris: Domat Montchrestien. 8vo. 169 pp. 20 *frs.*)

FROM time to time short paragraphs in the Press remind us that the recent recrudescence of South American "palace revolutions" has been overshadowed, in two republics at least, by a more permanent and more widespread dislocation of political equilibrium, the Chaco War. In this book the history and present functioning of the political machine in one of these republics are examined. It is an interesting contribution to a little known subject. The author starts with an orthodox statement of the various aspects of democracy, with ample reference to the authority of Bryce, relates briefly the almost anarchic period of Bolivian constitutional history in the seven decades between 1826 and 1898, when there were sixty military risings, ten new constitutions, and six Presidents assassinated, and ends with an examination of the constitution at work in the twentieth-century period of relative stability. His conclusion, that "the functioning of a democratic and parliamentary régime will be the natural consequence of the spiritual and material evolution of the country," is, in the light of recent European developments, perhaps scarcely as reassuring as it was intended to be.

J. A. GATEHOUSE.

101. LOS ESTRANGULADOS. By Hernan Robleto. 1933. (Madrid: Editorial Cenit, S.A. 8vo. 231 pp. 5 *pesetas.*)

THIS book, the second title of which is *El Imperialismo Yanqui en Nicaragua*, is a violent tirade in the thin disguise of a novel against the occupation of the country by the American Marines. The hero is first robbed of his Coffee Estate by the astuteness of the American bankers in Managua. After a short trip abroad he returns to his country to take up cattle-raising in the interior. His ranch is bombed by the American air force, which leads to his raising a small force, arming them and leading a small revolt. Eventually he makes for the frontier, and the book ends with a skirmish against the marines guarding the frontier in which his lady admirer is killed. The final scene is the hanging of an American Marine whom he has taken prisoner. The book, which is well written, gives good illustration of the bitterness of Latin American feeling against "the red athletes of the North" aroused by the occupation of Vera Cruz in 1916 and that of Managua in more recent times. Any permanent occupation of Latin American territory by United States forces would in all probability result in a ghastly succession of such unpleasant incidents as are described in the book.

VINCENT YORKE.

102*. EL CONFLICTO BELIGERO BOLIVIANO-PARAGUAYO Y LA CUESTIÓN CHAQUEÑA. By Pedro Gonzalez-Blanco. 1934. (Madrid: Impr. Sáez Huos. 8vo. 110 pp.)

This book is a moderate expression of Bolivia's case in the Chaco dispute. The author contends that the principle of the *uti possidetis*

*juris* of 1810 is the recognised canon for the settlement of frontier disputes in Latin America, and that the historical documents favour Bolivian claims. Contentions based on actual possession or exploitation have no precedents for recognition as valid arguments. A subsidiary section of the book alleges that Argentine partiality has delayed a settlement, Argentina having many commercial reasons for supporting Paraguay. K. G. G.

103*. LAZARO CARDENAS: SINTESIS BIOGRAFICA. 1934. (Mexico: Imprenta Mundial. 8vo. 31 pp.)

A short and highly laudatory sketch of General Cardenas, taken from an official biography, translated into French and English.

104. ARCHIVES OF BRITISH HONDURAS, Vol. II. From 1801 to 1840. Edited by the late Major Sir John Alder Burdon. 1934. (London: Sifton Praed. 8vo. xii + 436 pp., 2 maps. 7*s*. 6*d*.)

The first volume of these Records was published in 1931, and the third is to follow shortly. The present volume continues the Records down to the establishment of an Executive Council, in 1840, which was the first duly constituted part of the present Constitution The late Sir John Burdon rendered a permanent service in arranging for the collection and publication of these papers concerning one of the most interesting colonies in the British Empire, and historical scholars will look forward to the appearance of the third volume.

# INTERNATIONAL AFFAIRS

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CONTENTS



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# INTERNATIONAL AFFAIRS

*MAY-JUNE*, 1935

## THE FAR EAST IN 1935[1]

By Sir Frederick Whyte, K.C.S.I.

The key to the situation in the Far East to-day is to be found in the reaction of the East Asiatic peoples away from those Western ideals that they were led to believe contained the secret of power and success in the modern world. No matter where you go throughout the whole of the East, perhaps less in British India than in China or Japan, you will find this reaction in progress. Reaction implies in our minds as a rule a sort of moral deterioration, but I do not use the term in that sense, for both in China and Japan the phenomena we are witnessing to-day are largely a recoil from alien influences towards the indigenous sources of their own civilisation. Whether we consider it in terms of the internal and external situation of Japan, or of the problems of China to-day, we shall find that it operates widely through both countries.

I need not describe how it is that in China, after twenty-four years of revolution, many are beginning to understand that revolution for them spells, not propaganda and disturbance, but the attempt to recreate on native foundations an ancient society in a new form. In Japan, of course, the factors at work are very different, but the result is the same. It was borne in on me more and more during a recent visit to Japan that the Japanese had been brought up against a problem which their forefathers had never anticipated. It may seem strange to say that the one thing which is disturbing the Japanese mind to-day is the factor of change, since the makers of new Japan deliberately went out to change the old Japan. She was a frog in the well, and they took her out of the well, and brought her into relation with the modern world. What they did not realise was that, when they had taken her out of the well, she would be so dazzled by the sights around her, and so confused by the sounds around

[1] An address given at Chatham House on February 5th, 1935, with Lieut.-General Sir George Macdonogh, G.C.B., K.C.B., K.C.M.G., in the Chair.

her, that she might behave in unexpected ways under these new stimuli. In a word, the new Japan has now profound and disquieting problems which were not foreseen by her creators.

Let me try, as an introduction, to give a diagnosis of Japan to-day. No one can go about the country without realising the extraordinary vitality that pervades the whole people. I have not had an opportunity to go through those countries of Europe which are going through a transformation. I do not know of the transformations which are going on in Fascist Italy or Nazi Germany, but no one travelling in Japan can fail to be impressed by an abounding vitality, a tremendous force, not always susceptible to wise guidance, but nevertheless driving the Japanese onwards. In Japan to-day one gets a very sharp impression of a people drawn like a taut wire; and, although economists describe the situation in terms of agricultural depression and distress and the poverty in which the rice and silk grower lives to-day, under it all is this tremendous tension. And while we may legitimately interpret the Manchurian adventure as one expression of a nation seeking expression in the foreign field, it is only one step in a process of which we have seen only the beginning.

Japan now describes what we call the Far East in terms of East Asia. In Nanking and Tokyo, the Far East is the United States of America, and Europe is the Far West; and they have quite deliberately used the term " East Asia " in order to make the rest of the world realise that the Far East is an area which has problems, ideals and policies of its own. In particular, we must appreciate that this is an area which is living by its own lights, and that in it there is only one Power for the time being, and that is Japan. She is disciplined at home, and possesses commercial and military power for operations abroad, and a General Staff eager to make its will felt, within certain limitations no doubt, over the whole of that area.

The Japanese problem can be stated, broadly speaking, in two terms. If Japan is to carry out the policy which is described in very moderate terms by Mr. Hirota, and which has been set before us in much more extravagant terms by her soldiers and political journalists, she must be able to guarantee for herself a certain freedom of action on at least one of her fronts. We have been accustomed to approach every problem in the Far East by the maritime approach. The problem of the maritime aspect of the Far East predominated through the greater part of the nineteenth century, but I agree with Mr. Owen Lattimore that it

is a fair prediction that the factor that is going to predominate in future is not the maritime approach but the continental approach.

Now if Japan is to be able to deal with the problem implicit in the continental approach, questions at once arise with regard to China and Mongolia, and the relations between Japan and Russia and Manchuria. She must be secure on her maritime rear, and, for the time being, the Japanese people think that they have secured their maritime rear. The situation to-day is different from that with which Japan was confronted at the time of the Washington Conference in 1922, because the Powers which present to Japan her maritime front no longer operate on a common front as they did in that year. That is to say, of the three factors operating in the Far East, or which might operate in the Far East, the Japanese are satisfied, for the time being, that the Anglo-American factor is in a negative condition, and that she can disregard it. There are indeed a good many Japanese, particularly among the more air-minded members of the General Staff, who are apprehensive that the maritime rear on the Pacific may be threatened by the new air arm. None the less, the continental approach is felt to be of supreme importance.

The continental problem with which Japan is concerned is predominantly Russia, and, in a secondary degree, China. The justification for the establishment of the State of Manchukuo, setting aside the propagandist smoke screen which Japanese journalists and leaders have set up for the Western World, is that the Japanese General Staff believe that the whole territorial area of north-eastern Asia occupies, in relation to the defence of Japanese interests in 1935, the place that the Peninsula of Korea occupied in 1905. That means that in terms of the development of communications, in terms of the greatly extended power of armies and the whole paraphernalia of modern war, the Japanese General Staff place the Japanese frontier, not at Antung, but on the border of Mongolia. I do not agree altogether that Mongolia holds the key to the destiny of the Far East, but inasmuch as Mongolia represents a more or less disputed no-man's-land between Russia and Japan it will have a very important influence.

Some people may be a little surprised that in describing this situation I have set on one side the Anglo-American factor and the whole factor of the League of Nations. Let me deal with the position as it appears to the average man in the Far East. Whatever we may think about the future of the League of Nations

as an instrument in Europe, and I myself believe its future is a good deal brighter than its critics believe, the League cannot be a factor in the Far East until it has proved its merit in the European field. I do not mean to say that in the immediate years to come it may not carry out very important functions in assisting Chinese governments in financial and economic matters, but, as a political factor in the Far East, for the time being its influence is very slight.

The Chinese are now presented with a peculiar problem for the first time since China came into effective contact with the nations of the outside world, whether East or West. The traditional Chinese diplomacy of playing off one Power against another is no longer much use to them. From China's point of view up to the present moment there have really been only three factors in their situation—(1) Russia, (2) Japan and (3) Great Britain and the United States, and particularly the United States. To-day every Chinese knows that the one factor which is prominently in the foreground is the factor of Japan. The Anglo-American factor is in the distant background, and no one can say how soon the Russian factor will return to the Far Eastern situation in an effective form.

Let me add this in parenthesis, that none of my more realistic Chinese friends blamed Great Britain, the United States or the League of Nations for not having saved Manchuria. I have heard very prominent Chinese say that, if they had been in the position in which Great Britain was from 1930 onwards, with her European responsibilities and her internal problem of economic depression as well, they would not have acted very differently themselves. I do not think that this absolves the British Government from criticism, but I have put this forward to show you how responsible Chinese explain to others the position in which they now stand.

With regard to the main situation in China it is essential to realise that, in spite of the fact that in terms of power the Chinese do not contribute anything decisive, they do contribute enough to make it worth while for Japan to see whether she can guarantee her continental front by establishing relations with the Chinese Government, which will prevent China from sliding over to the Russian side.

The Chinese situation politically during my last visit in the summer of 1934 was better, less liable to disturbance from civil war, from conflict between one unit and another, than it had

been for many years past. There was a greater degree of unity throughout the country.

But when we think of unity in Chinese terms we must get rid of ideas such as the unification of Germany in the nineteenth century or of the process by which modern Italy achieved unification. We must indeed get rid of European conceptions before we can understand the Chinese situation at all. Perforce, we use European terms, with a European or American connotation, when we describe any situation, but these very terms are apt to mislead us to wrong conclusions.

Let me further illustrate this point by taking another term —patriotism. The commonest criticism made against the Chinese is that they are unpatriotic. Of course they are—if we think of patriotism *in our terms.* Fundamentally, patriotism means the attachment of the individual to the country which gave him birth. That is true of the Chinese. But when we pass on from that natural foundation of our patriotism to an attempt to translate it into political action, we can only think of patriotism as the united action of a people, led by an organised government. There is no such thing in China, and I doubt very much whether there ever has been. But, from the point of view of real patriotism, the Chinese can hold up their heads before us. Their attitude to government has always been entirely different from ours. The invasion of the life of the individual by the action of government, through all its varied functions, in a country like Great Britain, is accepted by us. Much as we dislike the functions of the income tax collector, we welcome them as a whole because they represent an essential condition of our life and liberty. But it is different in China. The Chinese look upon government as an enemy to be kept in its proper place, and so, many of the problems and activities which we resolve naturally by legislation, by administration, by action in the law courts, the Chinese deliberately remove from the action of government and try to settle among themselves. In that sense the Chinese have, socially, always been a very remarkable people, capable, in their own sense, of self-government. Patriotism is, in fact, a very real thing in China, provided we do not judge it in British terms; and the major problem with which the Chinese are confronted is the attempt, not so much actually to create a State, for the government of the Chinese people and capable of meeting the other nations of the world on equal terms, but to create that attitude in the Chinese mind towards the State which is more or less second nature to us.

From the point of view of many students of the Chinese problem, then, unification seems impossible because they judge it in terms of European history. In fact, unification is making very rapid progress in China to-day, not in the sense of what we call the Government of China, *i.e.* the group of politicians which calls itself the Nanking Government, but in the sense that there is growing steadily in the Chinese mind a sense of unification. I had the good fortune to spend a day with General Chiang Kai-shek at his training camp for staff officers at Hai Mei Ssu, which provides an illustration of this development. The camp was nominally established to carry forward the military and strategic training that the officers had already gone through, like any other officers' training corps; it was really designed to instil into their minds the fact that there is such a thing as China, and that if they were to understand the problems with which China was confronted they had to think of China as one body to which all parts belonged. This educational process was what the Americans would call "uplift." The General was bent on teaching them that nationalism represented a definite purpose and a definite problem for every individual Chinese. Many of General Chiang Kai-shek's critics say that the camp was established for the purpose of bringing officers in the various provincial armies into direct contact with himself, so that he might have a large body of *personal* followers in all the armies of China. That is perfectly true, and, if he succeeded, I do not quarrel with him. But he is doing something more. By the character of the instruction given in the camp he is instilling into the minds of those officers something which goes beyond the family idea, beyond the provincial claim; and they will go back, a good many of them probably, with a conception in their minds of "China," which they have never had before.

That is a process of unification working from the centre outwards. But it could not have been begun unless the units along the periphery had consented to send representative soldiers from their various units to the centre itself. When we were at the camp there were officers training from practically every military unit in China, though of course the main body were drawn from the various provincial armies of the Yangtze Valley, which were under the direct control of the General. But most striking of all was the fact that, although in 1933 none of the armies in the south and south-west would send their men to that camp, in the summer of 1934 there were 160 officers drawn from the armies of Kwangtung and Kwangsi, sent there for the first time to take

part in the general purposes of the camp, which shows that, no matter what may be said, there was a steady process of unification going on. And, as has been seen in recent times, the process of finding a settlement of the various differences between Canton and Nanking has almost reached a conclusion. I may seem to take an optimistic view, and so I do, but it is an optimism based on fact.

The fundamental difficulty in China is economic and in the last year and a half it has been worse than ever before. The forces that brought about the world-wide depression in other countries only reached China in 1932, and they reached their maximum intensity in 1934. So while there are reasons for believing that the political situation has improved, economically the situation has grown very much worse, with the result that the financial and economic power of the Nanking Government, which was never very great, had reached a dangerous point by the end of 1934. I need not describe to you the various factors contributing to that danger, the various internal conditions in China of economic and social and political disturbances which have wrecked the economic life of the country for many years and threatened good financial and economic stability. But the situation as confronted to-day by the Nanking Government, regarded in its economic and financial aspects, has grown very serious indeed. The Finance Minister in the early part of 1934 claimed, and with some justification, that, compared with his predecessor, he had not had to resort to such large borrowings from the Shanghai market, but in point of fact accumulations of one kind and another in 1934 have added very largely to the total of their indebtedness. They were saved, for the time being, by the enormous concentration of wealth in Shanghai seeking opportunity for investment. But it was the fact that trade was falling off that led to a concentration of wealth being drawn to Shanghai, partly to find security and partly also, since Shanghai had been the greatest of the commercial centres of China, that it might possibly find opportunity for investment. And so, from that accumulation of wealth, the Government has hitherto been able to borrow with comparative ease. But as 1934 went on the situation became worse, and the drain of silver abroad, which set in during that year, caused very serious apprehension, first in the minds of Chinese bankers and then in the minds of the administration, that a time would come when there would be no money to borrow from anywhere.

Owing to the operation of these factors China had become

a substantial exporter of silver, whereas in previous years they had been substantially importers of silver. The balance on the wrong side of Chinese trade is not so serious as it was in 1934, but the problem still remains, and until China is able to sell vastly greater quantities abroad than she sells now, or until there is a revival of trade in other parts of the world, the Chinese will be confronted with such a heavy adverse trade balance that they will be bound to go on exporting silver. This process threatens the basis of Chinese currency; and I believe that we are on the eve of a crisis which will compel the interested Powers to concert measures with the Chinese Government for the protection of the Chinese dollar. Exactly how this project could be set on foot I shall not here say; but I believe that the urgency of the matter will drive Great Britain and the United States into consultation, and that when *all* the facts of the case are studied, Japan will find that she cannot maintain her confident exclusion of other Powers from active and benevolent participation in Chinese affairs.

This brings me to the problem of Sino-Japanese relations. I suggested above that the Chinese were confronted in the international world, for almost the first time, with the problem that they could no longer play off one Power against another. In the last resort they are thrown back on their relations with Japan, and the activities that have been taking place in Nanking, and particularly those for which General Chiang Kai-shek is responsible during the past six or eight months, have been interpreted by many people as evidence that the General is pro-Japanese. They say that he had his foreign education, such as it was, in Japan: that he amended the customs tariff last year in order to give certain concessions to Japan: that it is due to him that there are officers from Japan in Kiangnan dockyard to teach the Chinese how to build ships. In the terms of the ordinary propagandist statement of the case it looks as if he were "selling the pass" to Japan.

What are the real facts with which the General is confronted? It would have been easy for him to say "We will dare Japan to do her worst," but each time he put up a determined front he would have played into the hands of Japan's military party and they would have established far greater control over various parts of China than they have been able to do.

The essence of General Chiang Kai-shek's policy is, granted the limitations of his resources in financial and military strength,

to preserve as much as possible of the ancient territorial heritage of the Chinese people without having to give away too much. I am convinced that General Chiang Kai-shek is not in his heart pro-Japanese, that he is not in the market in the sense of being bought by political concessions or by money. There is no more patriotic Chinese than he is. But he is also realistic, and feels that his principal problem is to maintain the old heritage of China and prevent it from being eaten away by the encroachments of Japan. He feels that if he can only hold on, giving away the non-essentials, gradually the international situation will change, and the time will come when the old situation will be restored, and he will find that there is a rival to Japan which is able to put up forces which he cannot put up.

He is not confronted with a very powerful political movement in his own country (the National Party is not strong); nevertheless, he would have to deal with a very determined and restive condition of Chinese popular opinion if it appeared that at any point he was giving away too much to Japan. But on the whole the substantial element of Chinese popular opinion is inclined to support General Chiang Kai-shek, on the ground that it is convinced, as he is, that time is with China, and that if they can hold on long enough the balance will be restored. A secondary reason for their support is that *they* believe that he is carrying out his policy with that motive and that he is not prepared to "sell the pass."

I can only deal with the remaining factors of the situation in the Far East in very general terms. The Russo-Japanese conflict ebbs and flows, now becoming threatening and now subsiding. The sale of the Chinese Eastern Railway has removed one disturbing factor; but the tension remains, and without making confident predictions of peace or lurid prophecies of war, we must take account of the factors on both sides which determine the long-range policy of Russia and Japan. On them I can only offer a few comments. Russia is not ready for war. I discussed the situation with a prominent Russian authority, and it was quite clear that the one thing they wanted to avoid was being put into a position by Japan where they would have to turn and fight. They hope and believe that they will be able to put off the eventual attack by Japan by what they regard as harmless concessions. Yet it can be seen in the attitude taken by the Government in Moscow to-day, in the estimate by various responsible authorities, particularly the military authorities, that

they feel that the conflict with Japan may be nearer than I am inclined to think it is. Some authorities put it as near as next June; and, in the reported secret conference of the Japanese General Staff in Manchuria, there may be some ground for that fear. At all events one can say of the Russians that they are not ready to-day for a major conflict, and will do nothing immediately to provoke it.

What is the situation on the Japanese side? Russian unreadiness would appear to be an invitation to Japan to fight before Russia is prepared. But Japan herself is not prepared. Not only is she confronted with very serious problems within Manchuria itself, but she has to complete the process of modernising and reforming the whole of her military machine, which will take possibly more than another year to achieve. But that the situation created by the Japanese in Manchukuo itself may possibly lead to real conflict in the future between Russia and Japan is too obvious to need restating. The Japanese are at pains to say that in Manchukuo they have done something very different from what they did in Korea, and that they will never make Manchukuo part of the Japanese Empire. But this does not dispose of the fact that the moment they created Manchukuo they inevitably raised the problem of its relation to Mongolia on the west and China on the south. The problem of the frontiers of Manchukuo is the problem of its relation to north China and, through Mongolia, to Russia. That does not seem of great import at the present moment. The enormous expanse of the Gobi Desert seems to suggest that there is a belt of territory interposed by Nature herself between Russia and Japan. But if you follow the line along which Japanese policy must travel westwards, you will find that the time is not far distant when the destiny of Mongolia must be settled.

While Outer Mongolia has been steadily Sovietised, increasing pressure has been brought on Inner Mongolia, and on the traditional Mongolian economy, by the inevitable approach of the Chinese peasant across the Wall from the south-east. Since the railway crossed the Wall at Nankou, the effective region of the Mongolian pastoral occupation has been driven back a hundred miles in the last twenty-five years.

The Japanese believe that, by establishing the State of Manchukuo, they have created a situation whereby the traditional Mongolian economy can be maintained and support given to Mongolia. But they are faced with the problem that the requirements of the defence of Manchukuo imply further building of

railways, and wherever a railway has been built the Mongolian economy has been doomed, for the Chinese peasant begins to spread and, as he spreads, he takes hold of the land. The Japanese are up against that contradiction in their own policy. If they build railways westwards the inevitable result will be that these railways will gradually lead to the spreading of an agricultural economy as opposed to the pastoral economy of the Mongols, and they will thus be led on further and further until they come to the point at which they must conflict with Russia.

But the conflict in Mongolia is likely to happen before Russia and Japan actually come to blows. The Soviet Republic in the north and north-west of Mongolia will, either under Russian pressure or on their own account, come up against the Mongolians, who are beginning to rely on Japanese support in Mongolia itself.

The problem is one of extraordinary complication, and if Japan is to contribute a solution of the question, without resorting to war, she has somehow to delimit the area within which Chinese peasant penetration will be allowed to proceed. Otherwise, she will find that the Mongolian economy will be ground between the upper millstone of Soviet Russia and the nether millstone of the Chinese factor from the south-east.

This then is the picture of the Far East in 1935. Japan, believing that she has secured her maritime rear, thinks that she has enabled herself to pursue her mission in East Asia without regarding the influence of Anglo-American policy, and she believes that she can confront the future, whatever it may hold for her in China or in Russia, with equanimity. This is probably an over-confident view, and one could trace a certain uneasiness in Japan amongst those who look ahead. But it is the thesis which to-day holds the field.

The Chinese situation to-day presents us, as citizens of Great Britain, with a peculiarly difficult problem which can be stated in quite different terms from those in which it has been stated in recent years. The problem confronting the British Legation in previous years was one of defending the lives and property of British subjects trading in China. To-day it is much more complicated. It is no longer a question of protecting property and lives against violence, but of protecting interests against the much more dangerous attack of legislation, taxation, administration and discrimination. The British and American Governments have lost the position which they enjoyed in 1922. It is going to be much more difficult to defend our interests in the

Far East than it has hitherto been. But I do not believe it is too late.

Both from the point of view of the assistance which we may possibly give to China in her task of reconstruction, and also from the point of view of the national interests of Britain and the United States, the contribution which we can make to the development of the Far Eastern question, during the next ten or fifteen years, is to see if we can re-establish the collective responsibility for peace and progress rather than a *Pax Japonica* resting on Japanese power alone. I believe that the Japanese may gradually come round to such a frame of mind that they will not be unresponsive to an appeal of this kind. If there is one factor in Japan which is working below the vitality and sense of energy, it is that her more far-sighted leaders realise that her recent policy has placed her in a position of dangerous isolation. The isolationist mood is still strong; but it is being tempered by experience. If Japan were quite sure that Great Britain and the United States were ready to approach the problem of stabilising the Far East in a spirit which showed that they appreciated the true nature of Japan's own problems, the readiness to co-operate with us might begin to appear. And, in the immediate future, we may find that the present predicament of China will provide the first opening.

*Summary of Discussion.*

LORD ADDINGTON said that he thought that the solution of the problems of the Far East depended very largely on the Japanese and the Chinese themselves. He asked if there were any bodies working in China and Japan, possibly unofficially, which were endeavouring to think out those problems, not solely in their own interests but partly in the light of the other party, and if there was anything that could be done to help these possibly unofficial bodies to get a fuller light on their problems.

Could Sir Frederick give any idea of the most helpful attitude towards the problem of the recognition of Manchukuo which seemed likely to arise in political circles in the not far distant future?

SIR FREDERICK WHYTE said, in reply to the first question, that comparatively small bodies in some of the Chinese Universities and in the Chinese and Japanese Councils of the Institute of Pacific Relations could be said to be concerned with problems in the mutual relations of the two countries; but now both Governments were actively engaged on them.

He did not think that the recognition of Manchukuo was a burning question to-day. He had not found anyone in Japan who was much

interested in it. In his view there were three Governments in the world which could not afford to recognise Manchukuo—the Chinese, the British and the American.

SIR FRANCIS LINDLEY said that the impression of vitality which Sir Frederick had received during his visit to Japan was not only what most struck visitors to that country but was the most important factor in the whole situation.

He entirely agreed with Sir Frederick regarding Mongolia and the Manchurian question, and the only point he would like to criticise in the address was the final conclusion. He thought that Anglo-American co-operation in the Far East was a threat of the greatest danger to British interests, unless the preliminary negotiations were carried on with the greatest skill and brought to a completely successful conclusion. As far as he knew there had never been any real Anglo-American co-operation in the Far East, but there had been a great deal of rivalry and divergence of policy. Thus after the Russo-Japanese War the Americans had desired the internationalisation of the railways in Manchuria, but Sir Edward Grey had refused to go into that field at all. Since that time, except for the Washington Conference, which covered a much wider field, he did not know of any successful co-operation. That did not mean that it was impossible, but he thought that unless there was a hard-and-fast military alliance concluded between the United States and Great Britain to present a common front to Japan, Great Britain would be risking important interests with the probability of having to " carry the baby." He did not think there was much chance of the United States entering into a hard-and-fast military alliance even if His Majesty's Government contemplated doing so.

LIEUT.-COLONEL MALONE urged, later in the discussion, against any Anglo-American combination as being bound to result in a conflict with the Far Eastern peoples; BRIGADIER PIGGOTT also supported this view.

LIEUT.-COLONEL SMALLWOOD said that he had been across the Gobi Desert to the capital of Mongolia and had seen Mongolia completely under Chinese control, and, more recently, completely under Russian control. In his view before Mongolia became really important in the Far East the Mongolians would have to develop a national sense. At present in Mongolia there were 3,000,000 Mongolians and a number of Mongolians who were Manchurian subjects, and, until they got together and became united into one race, he did not believe there was any risk of Mongolia forming a danger spot in the Far East. He thought that Sir Frederick had gone a little further than Mr. Lattimore had gone in his book *The Mongols of Manchuria.*[1] His general impression was that there were potentialities of danger, but not any immediate trouble.

Could Sir Frederick throw any light on the immediate financial

[1] Lattimore (Owen): *The Mongols of Manchuria.* 1934. (New York: John Day Co.; London: Allen and Unwin. 8vo. 311 pp. $2.50, 8*s.* 6*d.*)

situation in China? In his opinion everything in that country hinged on finance.

SIR FREDERICK WHYTE said that he had intended to convey his impression that the financial condition of China was more serious than it had been hitherto as the result of the deterioration of the general economic situation of China. The Nanking Government in the course of 1935 would probably find it more difficult to finance its comparatively moderate requirements than hitherto and probably it would be assisted by Japan; but he did not believe that Japan could possibly offer anything more than a temporary palliative from her own resources.

MR. J. O. P. BLAND said that, in dealing with such questions as the prospect of war between Russia and Japan, the future of Manchukuo, the possibility of this or that policy developing, speakers at Chatham House always omitted consideration of the central fact of the situation in China, and he wondered why. This was also particularly the case at Geneva. The central fact was, that in dealing with China one was dealing with primitive elements and forces which could not come into direct relation with those modern forces which surrounded it. The principal reason which prevented China achieving that place in the Far East which she should rightly occupy, which prevented her from asserting herself, arose out of her deep-rooted family system. As the result of that system, public opinion would regard it as a serious moral lapse if any Chinese, high or low, were to put his duty to the State before his duty to his family.

He instanced opium as an example of the results of this central fact and an explanation of the present condition of China. The opium question had long been discussed at Geneva, where the Chinese had always professed their desire to abolish the traffic in opium. But what was the position to-day? Mr. Fuller, the American representative at Geneva, had recently drawn attention to the steadily increasing production of opium and narcotic drugs in China, which he described as a menace to the world. The fact that the trade was protected and developed by and for Chinese officials was an example of the fact that the Chinese place family enrichment before every other consideration.

He remembered Sir Frederick saying in 1928 that he put his faith in the Cantonese Party because he believed that it represented a cause greater than itself, and was the only hope for China—and this in spite of the fact that, as a party, they had the reputation of being the most cynically self-seeking lot of politicians ever known in China. One heard less of the Cantonese and their cause nowadays. With regard to Sir Frederick Whyte's appreciation of General Chiang Kai-shek, he remembered the unpleasant results of the alleged conversion of other Chinese politicians, such as Sun Yat-sen and Feng Yu-hsiang and regarded it as a grave menace that General Chiang should have proclaimed his belief in Christianity.

He would like to draw attention to the manner in which this system, based on the superiority of the duty owed by every Chinese to his family over his duty to the State, worked out when the Chinese Government borrowed money abroad or pledged itself to do certain things or to fulfil obligations. He cited the example of the Tientsin–Pukou Railway. The railway was doing very well, well enough to pay interest, but not one penny of its large revenues ever went to the British bondholders, simply because railway officials had to see to their families first.

LORD ADDINGTON said that Mr. Bland had raised a very important question about opium, and China's relation to family life. Could Sir Frederick give them any further views about what was known as the New Life Movement? As far as one could read in the papers which came to England, the New Life Movement was having an enormous effect on the youth of China. He understood that one of the primary evils which they were fighting against in the New Life Movement was opium, and that they were endeavouring to turn Chinese from the service of the family only to the service also of the State.

SIR FREDERICK WHYTE said that he agreed with what Mr. Bland had said about the family system because he knew that the Chinese were up against their own tradition. As regards the New Life Movement, it was very difficult to measure the extent to which it had really taken hold, but the first Chinese he had had an opportunity of asking about it had said one significant thing, that in so far as it was true it was not new, and in so far as it was new it was not true, which was a very shrewd phrase, as it was a revival of the old Chinese tradition. It was spread over so wide an area that it might be called a national movement, but he thought it was none the less still superficial. But if "New Life" did become the animating force in a national movement it would have the intention, if not the effect, of achieving the reforms suggested by Lord Addington. It had not gone so far, but it represented General Chiang Kai-shek's conviction that, to deal with the problems with which China was confronted to-day, and particularly the problem of Communism in Kiangsi, you had to do more than merely to put a military cordon round an immense area.

It was quite true that there was as much if not more opium grown in China as ever before. In many places provincial governments were dependent for their revenue upon opium. But if emphasis were only laid on those factors in the Chinese character which prevented them making progress, the conclusion must be that they never would make progress. He preferred to take a less pessimistic view as there were many elements in the contrary direction.

THE CHAIRMAN, LIEUT.-GENERAL SIR GEORGE MACDONOGH, said that he would be glad if Sir Frederick would tell them a little more about the position of Communism in China, and what was likely to be the result of the attack which was being made against Communism at the

present time and whether General Chiang Kai-shek was likely to stamp it out.

There was one other remark which he thought it would be interesting if he would follow up. Sir Frederick had said that in the past the principal object of the British Government had been the protection of the lives and property of British subjects in China, but that in the future their task would be a great deal more difficult. They would have to protect British subjects against legislation, taxation and things of that kind. What did Sir Frederick think the policy of the British Government should be to-day, and how did he think the British Government could assist the British trader? It had been said on many occasions, and especially by Sir Arthur Salter, that the most satisfactory way of co-operating in China was by a combination of British and Chinese capital; was that possible, especially in view of Chinese legislation such as the Industrial Encouragement Act?

He hoped Sir Frederick would say a little more about the position of silver, which had a very important effect on trade. Did he think a low value of silver was desirable, or did he think that a gradual appreciation in the value of silver would be favourable to China, or that the main requisite was stability?

SIR FREDERICK WHYTE said that the Communist position was largely composed of two areas, namely, the area south of the Yangtze Valley in the Province of Kiangsi, and a much more indefinite area in the north on the borders of Szechwan. There were very definite signs that it was spreading westwards. But it was clear that the solution of the Communist problem could only come through economic measures and a general revival of the economic life of the country. It would need, moreover, a thorough-going agrarian reform. The Chinese would never be able to develop such a Communist State as Russia prescribed as necessary for carrying out Communism in practice.

With regard to the defence of British interests the answer was much more complicated. He knew a little about the problems which confronted the larger British companies, and of the difficulties which were placed in their way by regulations of the Government. But he thought a good deal could be done by going straight to General Chiang Kai-shek himself, and that was what he wanted the British Government to do. He thought it would be advantageous to establish personal relations with him, a task which Sir Alexander Cadogan was quite capable of performing, not for the purpose of solving an individual strike or difficulty of any particular firm trading in China, but to get into General Chiang Kai-shek's mind certain general propositions, and to let him apply them. Once it had been impressed on his mind that the policy he was pursuing in relation to a particular enterprise or industry was injuring the yield of Chinese taxation he would change that policy.

The Chinese would much rather have a stable value in silver than

any change in its price. The American policy had been adopted in complete disregard of the Chinese situation, and the attempt to force the price up rapidly was the worst possible blow that could have been dealt to their interests. He thought that the problem of China's currency would become an urgent international question during the next few weeks.

He agreed with Colonel Smallwood with relation to Mongolia. If it were a question of an independent Mongolian State backed by a self-reliant and politically consistent people it might have been possible to describe the situation in other terms. But Mongolia was a no-man's-land, not only because of its sparsely occupied territory, but because its international status was so uncertain. He suspected that the principal hostility working in the Mongolian mind to-day was hostility to the invading Chinese peasant.

# ITALIAN FOREIGN POLICY[1]

By COMMENDATORE LUIGI VILLARI

IT has frequently been stated that Italy's foreign policy since the War has undergone many changes. This to some extent is true, particularly in the immediate post-War years. Italy is not powerful enough to shape the foreign policy of the world, or even of Europe, and she has had to adapt herself to changing circumstances. But there are certain general principles and tendencies which have guided Italian foreign policy through these changing years and have developed into a definite Italian outlook on international relations. In recent times these principles are coming to secure wider acceptance, even beyond Italy's borders, and finding more general application.

Naturally, the first consideration for any country's foreign policy is based on its physical conditions. If we look at the map of Europe we see Italy, a small country, half the size of France or Spain, bounded on the north by the Alps, on the other sides by the sea. She is a peninsula projected into the Mediterranean, which is her only seaboard, a sea which has been sometimes described as a British lake. Her soil is by no means all fertile. A large part is stony and mountainous, much of the plain area is subject to drought, floods and consequently to malaria. The subsoil is very poor; it possesses practically no coal, no oil, very little iron. Italy is thus to a large extent dependent on foreign imports for raw materials and for some of her food-stuffs. Most of these imports come from lands beyond Gibraltar, Suez or the Bosporus. This fact explains her need for a fleet to protect her long seacoast—longer than that of France—and guard her essential trade routes. Italy has made valiant efforts to develop such resources as she possesses. She is draining her marshlands and converting them into tilled fields, irrigating her drought areas, intensifying agricultural production of all kinds, and has become almost self-supporting as far as wheat and some other food-stuffs are concerned. But there are limits beyond which she cannot hope to go. To-day she is conducting a vast experiment in national,

[1] Address given at Chatham House on March 19th, 1935, with Professor Arnold J. Toynbee in the Chair.

economic and social planning in order to make the best use of all her limited wealth and to make it go as far as is humanly possible.

The next point in Italy's foreign policy is security from invasion, which is a primary need for her as for any other country. Before the War the Alpine barrier was a secure frontier over three-quarters of its length, but to the north and north-east it was dangerously open. The Trentino formed a wedge driven into the most fertile part of the country, and Austria had converted that wedge into a vast fortress bristling with armaments and covered with a network of military roads branching out fanlike in all directions. On the Isonzo, too, all the dominant positions were held by Austria. That was one of the causes of Italy's intervention in the World War.

During the War Italy's efforts had been immense; her losses in men had been appalling (over 600,000 in killed alone, out of a total population of 35,000,000 inhabitants); and relatively to her smaller wealth her economic losses had been greater than those of her Allies. Yet at the Peace Conference that effort and those losses appear not to have been adequately appreciated by her more powerful Allies, and the greater rewards were reserved for them and their satellites, not for her. What had been promised to her on entering the War was in part given, albeit grudgingly—she had to fight for every concession *unguibus et rostris*—and in part refused. Italy got only the scraps, whereas the best went to the rich. Truly, to him who has much, more shall be given. This was no doubt partly Italy's own fault, for her representatives had not always defended her cause effectively. But it was also due to the jealousy aroused by the fact that Italy was becoming through the War a really great Power. A former diplomat of one of Italy's Allies wrote to me not long ago, in connection with a discussion on the Peace Conference: "I agree that we much resented Italy claiming to be a great Power. I still feel irritated at any such assumption." This was tantamount to admitting that he regretted that there was one more Power with whom to divide the loot. Naturally Italy resented this attitude, and felt far from satisfied at the result of the Peace Conference. That also explains why she was not at first too enthusiastic over the League of Nations. That institution, which had been created in the honest intention of its founders to establish the rule of justice on earth, seemed to Italian public opinion, on the contrary, to have been created chiefly to safeguard the *status quo*, a *status quo* which was no doubt an improvement in many respects on the pre-War

situation, but was exceptionally favourable to some States and unfavourable to others.

Even for Italy the Peace Treaties undoubtedly secured some advantages. Her land frontier on the north and north-east was now satisfactory, easy to defend and offered no incentive to aggression to either side. The great majority of the unredeemed Italians, formerly under Austrian thraldom, were now brought within the fold of the fatherland. Italy was freed from the incubus of the former Austro-Hungarian Empire, for fifty years a menace to her very existence. But she found on her Adriatic border a nation which had inherited many of the characteristics of the defunct Monarchy as well as much of its territory, whose inhabitants, although a large part of them had fought as good Austrians against Italy until the very end of the War, now appeared camouflaged as Allies, demanded their rewards and got them. Yugoslavia has a large, well-organised, well-equipped and valiant army, and unfortunately for many years she was inspired by dreams of vast expansion at the expense of her neighbours, especially of Italy, whose Adriatic provinces and coasts she coveted.

By the Treaties of Rapallo and Rome (1920 and 1924) the territorial questions between the two countries were officially settled, but an active propaganda against that settlement continued to be conducted in Yugoslavia, and prevented any good understanding with Italy for many years. Italy, on the other hand, was accused by Yugoslavia of conducting an anti-Yugoslav propaganda in Dalmatia, but the largely sentimental regret which many Italians feel at the loss of the fine Latin and Italian civilisation of Dalmatia has never taken the form of terrorist outrages, murder and arson. Italy has been accused of giving shelter to Yugoslav political refugees and it is said that numbers of these refugees have been established in different parts of Italy. That is true. A very large number of these refugees and others who are members of minorities under Yugoslavia have taken refuge in Italy and provision had to be made for them. But it was better to keep them in camps where they could be watched than to have them wandering about the country uncontrolled. Italy has also been accused of having encouraged terrorism among these refugees. As far as I know Yugoslavs have no need whatever to be taught lessons in terrorism. It is they who could teach us.

It was on the sea that Italy's chief anxiety lay. Her own defenceless eastern shore, with no naval base between Venice and Brindisi, lay exposed to possible attacks from the opposite

Dalmatian coast, with its innumerable well-sheltered inlets, all ideal naval bases, guarded by a double and sometimes triple chain of rocky islands. Were that coast in the hands of a hostile Power possessed of a formidable navy, Italy would be exposed to constant risk. It is true that Yugoslavia is not a great naval Power. But there is no guarantee against her placing her naval bases at the disposal of the fleet of an ally unfriendly to Italy, and in those conditions even a comparatively small but well-organised force could inflict untold damage. Such a fleet could effect a raid from one of the Yugoslav ports to the Italian coast across the Adriatic, work terrible havoc and return to its base before the Italian fleet could come upon the scene from Pola or Brindisi, even if it were informed of the raid the moment it started.

The Adriatic was not only an Italo-Yugoslav problem. South of Cattaro lies the Albanian coast. Much has been said and written about Italy's action in Albania. But it should be borne in mind that her interest in Albania is a purely negative one. Italy has always felt an interest in the Albanian people, many of whose kinsmen have been living in Southern Italy for four hundred years. From her own point of view she does not covet possession of that country, but she is anxious that the Albanian coast should not be held by an enemy Power. That coast is even nearer to the Italian coast than that of Dalmatia. Our interest in Albania may be compared to that of England in the coast of the Low Countries. The British have indeed fought many wars to prevent them from falling into the hands of any great military and naval Power, although they themselves never dreamed of conquering them. Yugoslavia's attempted encroachments on Albania were another cause of Italo-Yugoslav dissension.

Yet there are many reasons for an understanding between the two countries. Their mutual trade is very active, their respective products being complementary to each other. Italy is Yugoslavia's best customer, and occupies the second or third place among countries exporting to Yugoslavia. All that Italy asks is that Yugoslavia should really accept the 1924 Settlement as final, for Italy is prepared to meet her half-way. In a recent speech Signor Mussolini stated this very definitely.

For many years the main cause, broadly speaking, of the Yugoslav trouble has been the attitude of France. Italy's relations with France have always been intimate, but not always cordial. In 1849 the army of the second French Republic crushed the Roman Republic of Mazzini and Garibaldi. In 1859 France and Piedmont fought side by side to expel the Austrians from

nbardy. Later France tried to prevent the unification of ly and could not forgive her for not being always subservient the foreign policy of the Quai d'Orsay. It was France's tude in the 'seventies and early 'eighties which drove Italy ) the unnatural Triple Alliance. But when the outbreak of World War revealed the danger that Europe might fall ler a German military hegemony, Italy realised that her own ependence would also be jeopardised by such a contingency. s, together with other causes, brought Italy into the War on side of the Entente, for she is definitely opposed to the emony of any one Power. That is also one of the motives Italy's traditional friendship with Great Britain, who is ally hostile to such hegemonies, and throughout her history fought many wars to break them.

But after the War Italy saw the danger of Europe being ninated by a French military hegemony. France herself haps did not directly aspire to such a position. But her whole t-War policy was dominated by fear for her own security. r past experiences—three German invasions in a hundred rs—made this to some extent comprehensible, and Italy, ose security had long been menaced, could well sympathise h her. But it seemed to us that she exaggerated the danger a revived Germany, and that her precautions were excessive, l might provoke that very contingency which she was anxious avert. Her heavy armaments might be legitimate. But, not itent with these, she created and armed a chain of lesser allies ircling Germany and Germany's potential friends, as a means security. France thought that these Central European and ith-Eastern European States, who had secured so much at the pense of Germany and her allies, would be the most reliable pporters against a possible revival of Germany. Unfortunately found herself involved, perhaps at first unconsciously, in the arrels, jealousies and ambitions of her allies, whom she had to ist in order to be sure of their help in case of need. Thus in case of the Italo-Yugoslav dispute she felt obliged to provide igoslavia with abundant arms, and money to buy yet more. is intensified Italian feeling against France, apart from other ises of dissension, and France came to regard Yugoslavia a possible ally against Italy, as well as against Germany's ies. Thus the Italo-Yugoslav dispute became a function of anco-Italian dissension. The other causes of Franco-Italian sension were none of them very serious in themselves; but the irit behind them increased the bitterness.

I have spoken of Italy's security problem, but she was never obsessed by it. She had other equally serious problems to solve. With her exuberant and rapidly increasing population and her poverty in natural resources, she needed, more than any other European country, the possibility of colonial expansion, territories where her children could settle without becoming hewers of wood and drawers of water for other peoples, or whence she could secure the minerals and other raw materials which she lacked. But unfortunately she entered the colonial field late in the day, when all the best lands had been seized or ear-marked by other Powers, and she could only pick up their leavings. She is doing her best to make good use of her African possessions, and she has done some excellent work there, and has settled a considerable number of Italian farmers in North Africa, but the areas suitable for white settlers there are small. Here we have another reason for her intervention in the War—the hope that this inequality would be corrected in the event of victory. Definite promises in the colonial field were made to her by the Treaty of London, but for some years after the end of the War they were not fulfilled. Great Britain did meet her obligations in 1924 by the cession of Jubaland, and that made a very good impression in Italy. The territory itself was not of great value, but the way in which it was ceded argued a spirit of real friendship. For many years France refused to meet her obligations, and this was another cause of Franco-Italian tension.

Then there was the unsatisfactory condition of the Italians in Tunisia. Long before the French occupation of Tunisia, Italian settlers had developed the Regency and created its wealth and prosperity by their labour and intelligence. Its seizure by France in spite of repeated undertakings that she would not do so, caused deep irritation in Italy, an irritation which was increased by the pressure which the French authorities brought to bear on the Italian residents, more numerous than those of French origin, to adopt French nationality, the restrictions placed on the Italian schools and other institutions, and the fact that the *modus vivendi* of 1896, which regulated the status of the Italian community, was denounced, in September 1918—the date chosen was singularly ill-timed—and not substituted by a regular treaty, but had to be renewed every three months. All Italy's attempts to get the question settled were met by a *fin de non recevoir* on the part of France.

But Italy's foreign policy was not by any means solely inspired by her own problems. Like Great Britain, she realised, as

soon as the War was over, that it was both unwise and dangerous for the victors to be too ruthless towards the vanquished foe. The Germans and their allies had no doubt been the authors of the War and responsible for the terrible sufferings which it entailed, and they must bear the burden. But the burden must not be made intolerable. At the Peace Conference Italy had advocated a more reasonable attitude, and opposed all solutions calculated to leave a trail of excessive bitterness behind. It was not a question of abstract justice, but anxiety lest, by attempting to force an impossible burden on the defeated nations, a reaction of despair might be provoked leading to incalculable and disastrous consequences. In the meantime the world would be kept in a state of constant ferment, which rendered a return to confidence and normal sanity impossible. Although Italy herself was one of the victorious Powers, she had had, as we have seen, her own experience of the errors of the Peace Treaties; she had suffered from the *Realpolitik* of her Allies, which was none the less hard to bear even when camouflaged under the mantle of Pecksniffian virtue. She was therefore all the better able to realise the even greater bitterness felt by the vanquished Powers, and she constantly, but vainly, advocated a more generous attitude.

She so acted in the case of Turkey. She did her best to attenuate the severity of the conditions imposed on that country by the Treaty of Sèvres. She failed in her attempt, and the result was, first a new war between Greece and Turkey which involved terrible suffering on both sides, and then the sweeping away of the Greeks, civil and military, from Asia Minor, the tearing up of the Sèvres Treaty, with the consequent prejudice to the prestige of Western Europe, and the birth of a new Turkey, wholly free from Western control, ardently nationalist and xenophobe, and often very difficult to deal with.

In the case of Germany, Austria, Hungary and Bulgaria, Italy took a similar line, and was therefore regarded in France, and in certain circles even in Great Britain, as pro-German and unfaithful to her Allies. But it was the ruthlessness of Allied policy, too like that of pre-War Germany, which she opposed, not out of love for Germany, but because of the danger to a stable peace which it involved. She deprecated the occupation of the Ruhr, which caused an appalling economic cataclysm to all Europe, besides increasing Franco-German bitterness. She tried to restrain France from attempting to extract reparations out of Germany at what Signor Mussolini called astronomical figures, not because it would not have been desirable to make Germany pay for the

whole War—to squeeze her "until the pips squeaked"—but because it was attempting the impossible, and was bound in the long run to end in Germany not paying anything at all—and that is what actually happened.

The Locarno Treaties were the first instance of a return to a measure of sanity in international relations the first attempt to treat Germany on a footing of equality, as France was treated after the fall of Napoleon at the Vienna Congress, but unfortunately Germany had no Talleyrand. At Locarno the Franco-German Rhine frontier was guaranteed against aggression from either side. This was wholly in keeping with Italy's attitude, and Italy contributed not a little to the success of Locarno, acting in close cooperation with Great Britain. Had the Locarno spirit been maintained, much further trouble might have been averted.

Unfortunately the disarmament deadlock continued and greatly attenuated the good results of Locarno. Italy, like Great Britain, realised that it was materially impossible to keep Germany permanently disarmed, while other Powers remained armed to the teeth and continued to increase their armaments. Germany, Italians were sure, would only remain disarmed until she felt she could safely snap her fingers at the rest of Europe and rearm to her heart's content. The same remarks apply to a lesser extent to the other defeated Powers.

Great Britain shared Italy's views to a very large extent. But Italy felt that if Great Britain had supported such a policy with greater determination it might have been enforced. It seemed to us, rightly or wrongly, that Great Britain was so dominated by her rampant pacificism and by her fears of being drawn into more Continental complications, that she would not take a strong line, thereby tending to bring about the very situation which she most wished to avert. In our view there is nothing so likely to bring about war as too much pacificism.

The disarmament question also affected Franco-Italian relations in connection with the London Naval Conference of 1930. Italy was prepared to scrap battleships and submarines, and to reduce her naval armaments to the lowest level, be it never so low, provided they were not surpassed by those of any other Continental Power, while the French delegates demanded that Italy should undertake to keep her fleet always at a lower level than that of France. Italy was, in fact, asked to register her own permanent inferiority *vis-à-vis* of France by a notarial act. Italy, of course, rejected such a proposal and Franco-Italian relations became yet more acute. The controversy was made even more bitter by the

wide publicity it received. Here indeed was a case where a little touch of secret diplomacy would have been a blessing. The problem of naval parity existed before the Conference, but as long as no one talked about it, it did not very much matter to anyone, either in France or Italy. It was only when it was spread forth before the public gaze and analysed by the press in all its aspects that it became a live issue and provided a new cause of Franco-Italian friction. The course of the London Conference and of its sequel in Rome in March 1931 convinced Italian public opinion more than ever that France was heading—I still believe unwittingly—for a military hegemony, for she was not only determined to keep Germany and her possible allies disarmed, but also tried to keep Italy, who was one of her guarantors under the Locarno Security Pact, in a state of arms inferiority.

Nevertheless Fascist Italy was exploring every avenue to reach an understanding with France. She felt that there was no really serious reason for Franco-Italian rivalry, and that while it lasted European stability was impossible. Then came the economic depression, which made a solution of the political problem even more urgent, for the economic crisis could never be overcome unless political stability were achieved, and this could only be done if Germany and her ex-allies were more satisfied, and Franco-Italian dissensions settled. All these various problems were dovetailed into each other.

The coming of Henri de Jouvenel as French Ambassador to Rome marked the first beginning of better feeling between the two countries. M. de Jouvenel understood the Italian mentality as few Frenchmen did. He realised that the individual points at issue might be settled without much difficulty, if only the spirit animating the two countries could be altered. He and Mussolini understood each other, and in addition, de Jouvenel, not being a career diplomat, but a political man with an independent position, was less hidebound by the rigid and uncompromising traditions of the Quai d'Orsay, and was able to take a line of his own. He was only in Rome for six months, but he achieved more in that time than his predecessors had done in twice that number of years.

The Franco-Italian understanding was, however, hastened by an outside event—the rise of Nazi Germany. Whether we like it or not, Nazism has undoubtedly been brought about by the manner in which Germany has been treated since 1919. The non-aggressive and rather feeble Germany of the Weimar Constitution, of the Stresemanns and the Brünings, had reacted against Prussian-

ism in the hope of securing fairer treatment. But finding her advances rejected and her people treated as though they were still as aggressive and dangerous as in 1914, she was transformed by despair into the Germany of the Hakenkreuz and Hitler. It is, of course, useless to speculate on might-have-beens, but the new Germany was an accomplished fact.

Much has been said of the resemblances between Fascism and Nazism. Certain features of Nazism appealed to Italians—the ardent patriotism, the revival of hope which it engendered among a despairing people, the organised discipline which it imposed. But other features were wholly repugnant to the logical and reasonable Italian spirit. The resemblances were, in fact, more apparent than real. The two peoples are widely different, the origins of the two movements are equally different, and the leaders embodying the two are as different as they can be.

The advent of Hitler caused a deep impression in France. But it made her at last realise that, in case of serious danger, Italy might be a more useful ally than her rather wobbly friends in South-Eastern Europe, who seemed to be already coquetting with Nazi Germany. Italy, as well as France, saw the danger of this revived and possibly bellicose Germany, and was alarmed at Hitler's avowed programme of unlimited expansion, especially at his Austrian policy. The *Anschluss* would have meant for Italy a dangerous, aggressive and incalculable neighbour on her own border. But it meant something more. The annexation of Austria would have been followed by that of Hungary, and Czechoslovakia, thus surrounded, would soon have been roped in too. Then Germany would press forward to the south and south-east, to the Adriatic and the Balkans, and a new hegemonic Germany, no less dangerous than that of William II, would loom menacingly on the horizon.

This situation made a Franco-Italian understanding all the more necessary and urgent. Anxious as he was for this understanding, however, Mussolini saw that it alone was not enough for the restoration of international confidence and the averting of all risk of war. A Franco-Italian understanding by itself now would have appeared to be directed against Germany, just as an Italo-German understanding would look like a move against France. What was wanted was a real and sincere understanding between all the great Powers—France, Italy, Germany, and above all Great Britain. I say above all Great Britain, because, like Italy, Great Britain has the quality of immunity from collective hysteria, and the two countries must collaborate if the rest of

the world is to be kept at peace. But Germany too must be brought in, in spite of her new and somewhat alarming spirit, or rather because of it. Germany as a pariah, an outcast from the *communitas gentium*, was much more likely to become dangerous, whereas a Germany treated as an equal among the great responsible Powers could much more easily be kept out of mischief, and made to pull her weight for the maintenance of a stable peace. There was no reason to refuse to Nazi Germany what Weimar Germany was regarded as entitled to. But her unreasonable demands must be rejected to-day, as they were yesterday.

Hence the origin of the Four-Power Pact. The text of the original draft of that instrument appeared more definite than the one initialled on June 7th, 1933; in the former, arms parity for Germany and treaty revision were mentioned, whereas the latter does not speak openly of either. But it does allude to the Geneva Declaration of December 11th, 1932, which affirms the principle of arms parity, and to Article 19 of the League Covenant which provides for treaty revision. It also considers the possibility that the coming Disarmament Conference might fail, and suggests the action to be taken to continue the discussions if that should happen.

It has been asserted that Mussolini's idea in proposing the Pact was to establish a dictatorship of the great Powers, get rid of the parliamentary method of the League of Nations, where all nations are equal, and exploit the lesser Powers for the benefit of the great. This, however, is a wholly erroneous interpretation of the Pact. Without going into the merits or demerits of the parliamentary system, no one will deny that where it exists in individual States it has behind it definite sanctions, an executive with power to enforce its decision. The League, as now constituted, has nothing of the kind. Moreover, it is not true that at Geneva all nations are equal; for all the important disputes dealt with there have been settled by agreement among the great Powers. Each of these Powers tries to secure by intrigue and promises the support of a number of smaller Powers so as to appear to represent a large body of opinion, but it is always the great Powers whose action is decisive, because they alone have the means of enforcing their decisions. Some of the highly civilised small Powers, such as Switzerland, Holland and the Scandinavian countries, can contribute valuable advice, others only obstruct or handicap action. We should not forget that the two fundamental agreements which have secured a measure of success for the restoration of real peace, Locarno and the Four-Power Pact,

have both been negotiated outside the League, by agreement among the great Powers.

The essential point is that those Powers who have both the means to enforce their decisions and possess a sense of responsibility should agree among themselves. If that can be achieved, peace and stability will be maintained, a spirit of reasonableness applied to world problems, and a measure of justice meted out to all.

This does not mean that Italy regards the League as valueless. The Italian view is that it may be and often is a valuable instrument of diplomatic procedure for preventing small disputes from becoming serious issues, and for settling many difficult technical questions. But it is not yet capable of handling the really major problems. As we have seen, these have usually been dealt with outside the League, or if any attempt has been made to entrust such problems to the League the results have not been very satisfactory. We know what happened with regard to Manchuria. Above all, the Italian view is that the League must not be regarded as a divinely-inspired body, but that it is a very human organisation composed of human governments and run by human beings. In a word, it must be freed from the mephitic fumes of crank-incense.

Since the initialling of the Four-Power Pact in June 1933, many international events have happened, and but for the spirit established by that Pact their outcome might well have proved disastrous. First, we had the Austrian crisis of last summer. That uprising was undoubtedly intended to bring about the Austro-German *Gleichschaltung*, as an introduction to the *Anschluss*. In spite of the murder of Dollfuss, the Austrian Government proved strong enough to crush the rebellion. The danger was German intervention, but that danger was averted by Italy's timely and vigorous action. Italy has long maintained the necessity of Austria's independence, and had in the past largely contributed to it. Italy has been accused of having made the crushing of the Austrian Socialists in February 1934 the price of her support. For this accusation there is no evidence whatever, but it has been proved by the course of events that the rising of the Socialists had been prepared a long time previously. Quantities of cases of ammunition have been discovered which bear the date 1925, and which came from Czechoslovakia. Those model working-class dwellings round Vienna which have attracted so much notice were obviously built as fortresses with machine-gun emplacements with machine guns in them, in order to secure possession of the city by force.

When in July 1934 it appeared that Austrian independence was in serious jeopardy, the Italian Government restated the necessity for its maintenance, and without issuing any ultimatum or indulging in idle talk, it moved some troops towards the frontier. Germany understood, and kept quiet. Here we have an instance of Italy's method of restraining Germany from a *coup de tête*. But for that action war might well have ensued. It has been claimed in some quarters that the League should have intervened instead of Italy alone, and that Austrian independence should be placed under a League guarantee. Comparisons may be odious, but they are sometimes apposite. In 1932 the League unanimously condemned Japan's action in Manchuria and advocated measures to stop it. Japan paid no attention, withdrew her membership from the League and is still in Manchuria. We have seen what was the result of Italy's action with regard to Austria. Would the League have been capable of equally prompt, vigorous and above all effective action?

Then came the Franco-Italian Agreement of last January. This, as I stated previously, was made possible by the changed atmosphere and the better understanding between the two peoples, brought about by Mussolini, de Jouvenel *and* Hitler, although it was not aimed against Germany and its authors were anxious that it should not have the appearance of being so inspired. The terms of the settlement had been slowly maturing throughout 1933 and 1934, and its effects were already beginning to be felt in the general European outlook. It was this better understanding, together with the close collaboration between Great Britain and Italy, which is always necessary, if not always, as the mathematicians say, sufficient, which helped to bring about the Saar agreement. The actual plebiscite took place in January 1935, but it was France's undertaking not to send French troops into the Saar, as she had previously threatened to do, and Germany's undertaking to abstain from promoting a Brown Shirt incursion, which ensured the peaceful issue of the plebiscite. And this too was the result of the spirit of the Four-Power Pact.

In the autumn of last year the French Minister of Foreign Affairs, M. Barthou, was to have visited Rome to conclude the details of the Italo-French Settlement. The visit was prevented by the Marseilles tragedy, of which he too fell a victim. Yet the aftermath of that tragedy showed that a real improvement had been attained in the European situation. The Belgrade Government, in its search for responsibilities outside the internal situation of Yugoslavia, instead of fastening on Italy as the villain of the

piece, which would have provoked bitter reactions in Italy, limited its charges to the alleged complicity of Hungary, and even the Geneva debates on that dispute were by no means too violent and the settlement arrived at appears to have satisfied both parties. In Italy the Government and public opinion were horrified at the brutality of the crime, and their sincere expressions of condolence had favourable reactions in Yugoslavia. Finally, the new Regent, Prince Paul, appears to be a man of sensible views and is said to be anxious to come to an understanding with Italy, which France will certainly not fail to support. The Prince's recent declarations, together with those of Signor Mussolini, seem to bear out this view.

The settlement of the terms of the Franco-Italian agreement was, of course, postponed by M. Barthou's death, as his successor Pierre Laval had much to settle before he could leave Paris. But the delay was not without its advantages, as more preliminaries were agreed upon. The French Minister reached Rome at the beginning of January of this year. After some further discussions, not always smooth and easy, as was only natural, agreement was reached and the instrument signed on January 7th. Its main provisions are as follows:—

1. By the terms of the Peace Treaties Great Britain and the British Dominions, France and Belgium, acquired large extensions of colonial territory at the expense of Germany and Turkey under the mandatory system, whereas Italy, in spite of the promise contained in Article 13 of the Pact of London of 1915, got nothing. In 1924, as we have seen, Great Britain carried out her part of the bargain by the cession of Jubaland. Now it was France's turn, and she agreed to a rectification in Italy's favour of the frontiers between Libya and the adjoining French possessions in Western and Equatorial Africa, and between Eritrea and French Somaliland, and recognised Italian sovereignty over the island of Doumeirah in the Red Sea.

2. The two Governments further agreed to develop the economic relations of their metropolitan territories with their respective African colonies and the adjoining countries. More definite and important is the provision whereby Italy is to be granted a share in the Franco-Ethiopian Railway, the only railway connection between the Ethiopian capital and the outside world.

3. With regard to Tunisia, the *modus vivendi*, which had to be renewed every three months, is at last replaced by a regular agreement. It provides that the status of the Italians in the Regency shall remain unchanged until 1945, and that all Italians born in it before that date are *ipso facto* Italian citizens; those born between 1945 and 1965 will be entitled to opt for French citizenship if they wish, and those born after 1965 will be subject to the ordinary French legislation on nation-

ality in Tunisia. The Italian Government schools will retain their present status until 1955, after which they will be treated as private schools and subject to the French scholastic regulations. Italians will be entitled to exercise the liberal professions without any discrimination if they enter them before 1945; those entering them after that date will have to conform to existing French legislation.

This settlement was not as complete as Italy would have wished, but it does represent a considerable improvement on the previous state of affairs, and this improvement could, of course, only be secured by a compromise whereby France made some concessions which she had previously refused, whereas Italy renounced some of her own claims. In any case the spirit with which the agreement was effected argues well for its success in the future.

But the Rome Protocols were not limited to African questions affecting France and Italy alone. They had a wider scope, interesting other Powers as well, and in fact were also to link up with Great Britain on the occasion of the visit to London of the French Prime Minister very soon afterwards. In the question of Central Europe the French and Italian Governments agreed that the reassertion of the undertaking on the part of every State to respect the integrity and independence of others would contribute to restore confidence in that part of Europe. They further decided to recommend to the interested parties

" the conclusion of an agreement of non-interference in their respective internal affairs, and of a reciprocal undertaking not to incite or support any action calculated to make forcible attempts against the territorial integrity of a political or social régime of any of the contracting parties; these may, on the other hand, conclude within the framework of the League of Nations particular agreements destined to guarantee the application of such principles."

The convention should in the first instance be concluded between Italy, Austria, Hungary, Yugoslavia, Czechoslovakia and Germany, and be open to the subsequent adhesion of France, Poland and Roumania. On the other hand, without awaiting the conclusion of this convention, and in the case of a menace to Austria's independence, the Governments of France and Italy should take counsel together and with Austria as to the most effective measures to be taken to safeguard it. These consultations could then be extended by Italy and France to the other States in order to secure their agreement. Drafted in this form, the agreement, although destined to avert any further attempt to force annexation on Austria, was in no way offensive to Germany, inasmuch as

it invited her to collaborate with the other Powers for the maintenance of Austrian independence, which might be threatened by others besides Germany. It was also applicable to various other possible attempts on the part of one country or of organisations existing in one country to subvert the governments of another. France had herself suffered considerable inconvenience from the activities of foreign political refugees on her own territory, including the murder of her own President and one Cabinet Minister and that of the King of a friendly country who was her guest. She had at last wisely realised that there are limits to hospitality.

Another clause in the Rome Protocols refers to armaments. Here the two Governments

" agree to recognise that no other country may, by a unilateral act, modify its obligations in the matter of armaments, and have undertaken to consult with each other in case this principle should be violated. They also recognise that the principle of parity of rights, as laid down in the Declaration of December 11th, 1932, retains its full value."

Thus Germany is warned not to interfere with Austrian independence, not to break her contractual undertakings, but at the same time she is granted legitimate satisfaction in the recognition of the principle of parity, which should be recognised by mutual agreement.

These stipulations are in harmony with the guiding principles of Italian foreign policy—that the defeated Powers cannot be forcibly kept in a state of permanent unfair discrimination, but that they must not be allowed to violate their pledges; where excessive pledges have been exacted, they should be modified, but by mutual agreement. Recent occurrences show the importance of this provision.

I have often alluded to the question of treaty revision in connection with Italy's general attitude on foreign policy, independently of armaments parity for Germany. The revision of the Paris Peace Treaties actually began long before the ink was dry on the signatures, but for a long time no one dared whisper the awful word, for it was feared that any attempt at systematic revision would at once lead to war. The Italian Government was the first to mention it openly, and it was alluded to in the first draft of the Four Power Pact; out of deference to the protests of some of the non-signatory Powers the actual word was, as has been seen, deleted from the final text, but the mention of Article 19 of the Covenant amounts to the same thing. The idea of revision

is now coming to be generally accepted as sooner or later inevitable; although in some quarters it is feared that any proposal to effect it will create a state of dangerous unrest in many countries, the Italian view is that the unrest is already there, and that the only way to allay it is to affirm that at some future date the more glaring injustices will be corrected. Here again we have the same principle as that applied to arms parity for Germany. Revision should be effected, but not by violence which might mean war. In some of the cases concerned, Italy is the friend both of States demanding revision and of those rejecting it, so that her part would be that of the honest broker, or, to use a less Bismarckian expression, a friendly intermediary. What is essential is that these old sores should not be allowed to fester. No definite solution is suggested, nor would any be forced on unwilling parties. But if we really desire a stable peace, permanent legitimate grievances should, in some way or other, on the principle of *do ut des*, be eliminated.

In conclusion, we may say that Italy's situation is undoubtedly better than it was immediately after the Peace Treaties. Not all the causes of her dissatisfaction with those treaties have been eliminated, but she hopes that eventually they will be. She has no wish to encroach on the rights of others, but if the day should come for a re-shuffling on the colonial board, Italy would insist on having her fair share. But she is equally determined to do all she can for the maintenance of world peace, or of a really stable peace, and of reduction of armaments, equal for all. It is sometimes asked why it is that, while the Italian Government advocates peace and arms reduction, it proceeds to the extension of military training among the youth of Italy. The answer is easy. Apart from the disciplinary and civic value of this training, which is inculcated in such democratic and peaceful countries as Switzerland and in the English public schools, the Italian idea is that disarmament must be general, applicable to land, sea and air armaments equally, and universal, applicable to all countries equally. Otherwise, as Mussolini once said, it is an ugly comedy. We are most anxious to reduce armaments, because armaments are expensive and we need the money for social and economic improvements. But reduction can only be achieved by mutual and general agreement. Until then, we feel that we must be ready to defend our country against possible dangers.

I think I have shown that the tendencies and aims of Italy's foreign policy are in harmony with those of Great Britain. The friendship between Great Britain and Italy is traditional, and the adjective is not a mere cliché. Both countries are ardently

desirous of peace, both take a tolerant view of their ex-enemies and are ready to forget past quarrels, both are definitely opposed to the military hegemony of any one Power, both are determined to safeguard our common Western civilisation against any form of Oriental insanity, and both, as I said before, are less liable to collective hysteria than most other countries. Great Britain, friendly as she was towards Italy, was anxious to be friendly also towards that other great and civilised European country, France. With the conclusion of the recent understandings she need have no difficulty in being the friend of both. If Germany can be induced to collaborate as well, I think we may look forward to the future with some measure of confidence. But we must try to understand each other's points of view, and, convinced as each of us is and indeed must be, that our point of view is the best, we must be ready to admit that there are others, and that it is no use trying to teach other peoples how to manage their own affairs.

*Summary of Discussion.*

QUESTION: What was the Italian attitude to the Balkan Pact? It was a matter of some importance in connection with the extension of security agreements to South-Eastern Europe.

COMMENDATORE VILLARI replied that Italy did not regard the Balkan Pact as of much importance since Bulgaria was not a signatory, but she had promoted an agreement between Greece and Turkey, formerly hereditary enemies, which might be an important factor in the peace of Eastern Europe.

QUESTION: Would Commendatore Villari speak about the Abyssinian situation, on which he had merely touched in his paper?

COMMENDATORE VILLARI said that there had been for a long time in various parts of Africa an agitation against white men and against Europe as a whole. The incidents in Italian Somaliland were by no means isolated; there had been a number of incidents on the frontiers of other countries bordering Abyssinia, particularly the Sudan and French Somaliland. Most of the trouble was due to slave-raiding. The attack on the Italian Consulate at Gondar, the first of such incidents to concern Italy, had been carried out by the local Chief of Police, who happened to be a notorious slave trader.

The more recent trouble was due to the fact that the frontier had not been delimited. In 1908 Italy had concluded an agreement with Abyssinia to have the frontier delimited and had begun the delimitation in 1910, but the Abyssinian authorities, on one pretext or another, had prevented the work from being carried out. There had been a vague agreement that the territories of tribes formerly under the

Sultanate of Obbia should belong to Italy, and those of the tribes further to the north to Abyssinia, but no definite line had been drawn. Some six years ago the Italian authorities in Somaliland had occupied Wal-Wal and established frontier posts, and the Abyssinian authorities had made no protest; until on December 5th, 1934, they had brought six to eight hundred men against Wal-Wal. Italian aeroplanes had flown over the Abyssinian force to observe what it was doing, and it was alleged that they had been provided with machine guns; as a matter of fact all that they had had was cameras. The Italian outpost had resisted the Abyssinian attack and the Italian Government demanded that satisfaction should be given for that undoubted act of aggression, asking that the matter be dealt with according to the provisions of the Italo-Abyssinian Treaty of Friendship and Conciliation of 1928. Article 5 of that Treaty provided that in case of a dispute between the two countries the question should first be handled by the ordinary methods of diplomatic negotiation. If the negotiations failed, then recourse should be had to conciliation as defined in the Treaty: two delegates were to be chosen by Italy and two by Abyssinia, to work out the question at issue and to try to arrive at a solution. If that procedure failed, the delegates were to choose a fifth delegate as arbitrator, who would presumably be of another nationality. At the moment the procedure was still in the first stage of diplomatic negotiation. One point had already been settled, *i.e.* the establishment of a neutral zone between the Italian posts and the Abyssinian posts.

It might be said that Italy had been threatening Abyssinia by military measures. But it must be remembered that Italy had in Somaliland and Eritrea only a very small number of native troops commanded by Italian officers and non-commissioned officers. She had recently sent there two divisions, about 30,000 men, plus a certain number of airmen, sappers and engineers of different sorts, making the total force about 40,000 or 50,000. The Abyssinians could, without difficulty, raise an army of 500,000 men and could easily call out an even larger number of troops, as every Abyssinian peasant was a soldier. Consequently the measures taken by Italy were of a defensive nature only. She was not pursuing an aggressive policy; otherwise she would have sent ten or more divisions. It must also be remembered that Italy was 4000 kilometres distant from East Africa.

Italy wanted security for her colonies and she wanted to trade with Abyssinia as actively as possible. She had even made an agreement with Abyssinia to construct a motor road from the Italian port of Assab in Eritrea on the Red Sea to Dessié, but the Abyssinians had refused to carry out their share of the work, and so Italy had not started on hers. It was hoped, however, that it would eventually be carried out. Italy had also undertaken to give to Abyssinia a section of the port of Assab for her own trade.

It was not easy to deal with a country in the state in which Abyssinia was, especially in view of the fact that a violent feeling of xenophobia

animated a large part of the population of Abyssinia and also of other parts of Africa. But all European Powers ought to work together to spread European civilisation as widely as possible in that continent for the benefit of the natives as well as of the rest of the world.

MR. J. G. R. BRAMHALL asked the meaning of the following passage from an article written by Signor Mussolini in the *Enciclopedia Italiana* in 1932, which had caused a certain amount of confusion in England in regard to the Italian attitude to the general question of peace and foreign policy.

"And above all, Fascism, the more it considers and observes the *future* and *development* of humanity quite apart from political considerations of the moment, believes neither in the possibility nor the *utility* of perpetual peace. It thus repudiates pacifism, born of a renunciation of the struggle and an act of cowardice in the face of sacrifice. War alone brings up to its highest tension all human energy and puts the stamp of nobility upon the peoples who have the courage to meet it."

It seemed that Signor Mussolini was advocating war for the sake of war.

COMMENDATORE VILLARI said that he thought that Signor Mussolini in that article was basing himself on history. A state of perpetual peace had not been possible in the past and events had shown that pure pacificism was not conducive to the highest virtues, but had also meant the promotion of war of the most dangerous kind. If Germany had not been disarmed and therefore forced to be pacifist at the time of the occupation of the Ruhr the occupation would never have taken place. Mussolini's whole policy had been to try to find the best means of establishing peace on a sound basis, but he thought that peace in the abstract was not sufficient and that conditions which would satisfy everybody could not be realised by an absolute renunciation of war. All that could be hoped was to make it more difficult in the future.

MR. J. H. HUMPHREYS said that some observers were of the opinion that the maintenance of Austria's independence would depend in the long run upon whether there could be any real foundation for her economic prosperity. Others had pointed out that Austria had been a prosperous country when the tariff walls which the Successor States had created did not exist. In those circumstances should it not be an essential part of the foreign policy of Italy to get together all the Danubian States, the Little Entente, Hungary and Austria into some common regional understanding for the lowering of tariffs between all those countries?

COMMENDATORE VILLARI said that Italy had, in fact, promoted the Rome Protocol for an understanding, in the first instance, between Italy, Austria and Hungary, to be extended to the other Danubian States and beyond them to other countries, such as Germany. Originally the Tardieu agreement had been limited to the Danubian States, but it had been found that those States could not prosper until they

had an opportunity of extending their economic activities beyond the borders of the Danubian States themselves because their mutual trade was not sufficient. Hungary and Roumania were wheat-exporting countries. They could export a part of their wheat to Czechoslovakia, Austria and other Danubian countries, but that was not enough. They must also be able to export to such countries as Germany and Italy, and the latter had made some agreements for importing some of the agricultural produce of Hungary.

The Rome Protocol was intended to apply the essentially sound principle laid down at the Stresa Conference.

DR. SETON WATSON first suggested that Italy's attitude towards the League had been more in the spirit of the phrase quoted by Mr. Bramhall from Signor Mussolini's own writings than in accordance with the principles pursued by Great Britain since the War. His whole attitude rested upon ideas of "Machtpolitik" and was avowedly militaristic: ever since the days of the Corfu incident Italian policy had been one of the contributory causes hostile to the League.

Secondly, he said that Signor Villari had referred to some of the minor countries of Central Europe which had derived some of their ideas from the old Austro-Hungarian Monarchy. It seemed rather that Italy had taken over the famous maxim of the old Monarchy, "Divide et impera," and had applied it to the whole south-east of Europe—as between Yugoslavia and Albania, as between Yugoslavia and Bulgaria, as between Roumania and Hungary, as between Czechoslovakia and Austria, as between Czechoslovakia and Hungary, as between Albania and Greece. He was surprised to hear that Italy had done so much to promote the Greek-Turkish Agreement: Turkey's present attitude towards Italy did not seem to justify that statement.

The next point was the attitude of Italy towards treaty revision. He did not suggest that the ridiculous attitude of "No, no, never," which some of Hungary's opponents had latterly taken over from Hungary itself, was to be justified. He did not suggest that treaties were sacrosanct and could never be modified. But he did suggest that it was Italy's policy of deliberately encouraging an altogether fantastic conception of revision in the one particular direction of Hungary, that had done more than anything else to prevent the union of the five Danubian States. That policy amounted to taking two of the five under her wing, thereby forming a group of Italy, Austria and Hungary against the other three States, and driving in a deep wedge into the heart of the Little Entente. If there was one country in Europe which ought to remain silent on matters of revision it was Italy. If there was one frontier which could be modified on an ethnographical basis it was the frontier of Italy towards Austria and Yugoslavia, and it therefore seemed rather unfortunate that Italy had made herself the champion of that particular movement. If she had merely made herself the champion of rendering effective Article 19 at Geneva, he would have no criticism to offer.

Signor Villari had made a remark about press campaigns and the mischief which the press could do. He would remind him that as between Italy and Yugoslavia there had been very violent press campaigns on both sides of the Adriatic, and as both in Yugoslavia and in Italy the press was strictly controlled, it might be presumed that on both sides the campaign was tolerated by the Government.

He would remind Signor Villari of four points which caused difficulty between Italy and Yugoslavia (quite irrespective of the attitude of France or of the Little Entente, and irrespective of the fact that he did not suggest that Yugoslavia also had not a clean record in Albania) :—

(1) The belief entertained by Signor Mussolini for some years past in the possibility of breaking up Yugoslav unity.

(2) In this belief that Croatia could be separated from Serbia, the activities of the immigrants were deliberately encouraged in Italy and they were maintained and financed and provided with supplies by the Italian Government.

(3) Italy's designs on Dalmatia.

(4) The position of the Yugoslav minority in Italy, deprived of the most elementary linguistic and political rights.

COMMENDATORE VILLARI said that he had already dealt with Signor Mussolini's attitude towards the League in the course of his speech. Mussolini realised that the League had its limitations as well as its virtues, but even without Mussolini's statement the course of events had shown where the limitations of the League lay. It might be remembered that the two countries that had been most anxious that the League should take a strict line with regard to Manchuria were Norway and Czechoslovakia, two countries which could not possibly do anything effective in the Far East.

With regard to the charge against Italy in relation to the Danubian States of Central and South-Eastern Europe, the dissensions between the two groups were so strong and bitter that nothing Italy could do could make them any worse. Moreover, it was not Italy who advocated any particular scheme of treaty revision but Lord Rothermere, and the last speaker's remarks should be addressed to him. It was always intended, as he had already stated, that the agreement which Italy had made with Austria and Hungary should be extended still further, because Austria and Hungary, even with Italy's help, could not possibly improve their economic situation unless the agreements comprised other countries.

He agreed that there had been a press campaign in Italy against Yugoslavia, but it was in answer to the campaign in Yugoslavia against Italy. Very fortunately few people in Italy could read the Yugoslav press, or the indignation would have been greater than it was.

With regard to the Yugoslavs in Italy, all that Italians wanted was that they should become good Italian citizens. There was no wish to treat them unfairly and in the early days after the Peace

Treaties they were allowed absolute freedom in every way. But the Yugoslavs from beyond the frontier took advantage of that freedom to promote dissension and to prevent conciliation between the two races in Italian territory.

Yugoslav refugees in Italy were put into camps because it was easier to keep control of them there than if they were allowed to be loose, but being very numerous they were a considerable inconvenience to Italy.

Finally, there was Dr. Seton-Watson's point about revision. Italy had a smaller percentage of alien peoples within her territory than almost any country in Central or Eastern Europe. If there was to be any question of treaty revision it ought to begin with countries which had absorbed a larger number of alien peoples. Italy would come last in the list.

MISS FREDA WHITE said that the crux of the trouble between Abyssinia and Italy lay in the refusal of Italy to negotiate in connection with the Wal-Wal incident. She understood that the Italians refused to put into operation their own Treaty of 1928 because it involved negotiation, and a refusal to alter their claims was not negotiation. The terms, including a salute to the Italian flag which the Italians asked for in connection with Wal-Wal, were equivalent to a claim that Wal-Wal was Italian property, as it was inacceptable on the basis that the ownership of the territory was still in dispute.

What was important was that hostilities had broken out on December 5th, 1934, after the members of the Commission had gone, so that there was no proof as to who started them. But if there was no proof there were, in the eyes of the neutral world, certain indications as to who was responsible.

(1) There was the correspondence between the Italian Commissioner and the Abyssinian leader on the spot which was forwarded to the Boundary Commission and which had been published by the League. The notes written by the Italian did not dispose one to consider that he was a very judicial person, for they were very angry and threatening notes.

(2) There was the fact that the Abyssinians appeared to have waited to attack until the arrival of the Italian reinforcements, with tanks and bombing planes.

(3) There was the refusal to allow an investigation, which led to the inevitable conclusion that the side which could not bear investigation was in the wrong.

That had been the history in other League of Nations disputes since the War, and the refusal of Italy to submit to it put her into a very undignified position, and led to one of two conclusions in the minds of most people; either that the incidents of the actual outbreak of hostilities would not bear investigation from the Italian point of view, or that Italy's demands were being made with the intention of provoking Abyssinia and forcing her into a position which would give Italy an excuse to attack her.

She agreed with what Signor Villari had said about spreading European civilisation in Africa, but it meant that Europeans must judge themselves more hardly than they judged the African peoples.

They must show a stronger sense of justice and generosity towards them than they would show even towards their own people.

Commendatore Villari said that if Italy had had aggressive intentions she would have sent much larger forces to Abyssinia than she had done. As he had already stated, the number of men was so small that all they hoped to do was to defend Italian territory against aggression. On the other hand, not only could the Abyssinians dispose of much larger bodies of men, but they had placed large orders for war material in Germany and Czechoslovakia. Even at the moment at Addis Abeba representatives of various chemical firms were providing material for poisoning the wells and for poison gas.

The following statement by the Diplomatic Correspondent of an important British newspaper, the *Daily Telegraph* for March 15th, 1935, was the best answer to the question.

"I understand that both Governments have again been urged by Great Britain to make a further effort to reach a settlement of the Ethiopian dispute on the basis of the undertakings jointly given to the League of Nations in January.

The Ethiopian Government has been consistently advised and even urged from London to get away from the diplomacy of a long-range exchange of Notes, and to seek the earliest possible settlement by direct conversations with the Italian Minister. This advice does not appear to have been acted upon.

Indeed, the latest news from Addis Ababa suggests that the Emperor of Abyssinia has now finally made up his mind to rely entirely on the League of Nations to extricate him from his troubles.

It cannot be stated too clearly that neither Britain nor France—the other European Powers with interests in this part of Africa—consider that the League will be able again to create so favourable a situation for Abyssinia as was brought about by them at Geneva six weeks ago.

If the matter is investigated by the League Council it will inevitably become clear that the Abyssinian escort, suddenly attached to the Anglo-Abyssinian Boundary Commission for the last stage of the journey to Wal-Wal (where the December incident occurred), seems to have acted in a most provocative manner.

The Boundary Commission had been allowed to travel more than 100 miles through most difficult country without escort The Abyssinian force of 650 men only arrived to assume 'protective functions' on the last 18 miles of the journey.

On arrival in front of Wal-Wal it 'dug in' within 30 yards of the Italian posts, and remained in these positions for more than a week after the Boundary Commission had left.

In London it is felt that the Abyssinian efforts to secure arbitration (on the grounds that all means of securing a direct settlement have been exhausted) are doomed to failure."

As he had already very definitely stated before, the Italian Government had acted in strict accordance with the Treaty of 1928, and had not violated it as Miss White had suggested. That Agreement provided that in case of dispute, diplomatic procedure should be first resorted to; if that failed, conciliation was to be tried, and if conciliation failed, arbitration, and that was the line which Italy had been following and would continue to follow.

Miss Muriel Currey first reminded Dr. Seton-Watson of the speeches by the representatives of both Greece and Turkey when the Treaty of Friendship and Conciliation between them was signed, in which they made very remarkable acknowledgments of the work which

had been done by Signor Mussolini. Signor Mussolini's original idea had been to sign not a bilateral treaty but a tripartite treaty between Italy, Turkey and Greece; but the negotiations had dragged on for so long, owing to difficulties between Greece and Turkey over the exchange of population and the compensation due, that finally he had decided he could wait no longer and that he would conclude treaties with Greece and Turkey separately, and then try to get those two Powers to settle their disputes.

None of the critics in the English press, who claimed that Italy was not a loyal member of the League of Nations, ever mentioned Italy's action at the Disarmament Conference. Throughout the whole of the Disarmament Conference the Italians had made the most practical proposals for the reduction of armaments.

Finally, had Italy discovered Eldorado? If not, how could she be the financial support of the Austrian Government, and how could she embark on an expensive campaign in Ethiopia? It was also said that Italy had supplied £300,000 in hard cash to organise the revolution in Greece.

COMMENDATORE VILLARI, in amplification of Miss Currey's remarks about the Turkish-Greek Agreement, said that not only had the Turkish and Greek Ministers of Foreign Affairs thanked the Italian Government but both of them had gone personally to Rome to do so.

With regard to the Italian Eldorado, he did not know where Italy could get the money from, but he suspected that it was non-existent.

MR. L. C. DENZA said that the factor which worried him most was Italy's financial position. It had been felt, as far back as 1926 when she stabilised her currency, that she was doing so at a rather high figure, and the subsequent world crisis, and in particular the departure of England and the United States from the gold standard, had made matters very much more difficult for her.

Italy had had an adverse trade balance as long as trade figures existed and had managed to balance her budget only with the help of a very large tourist traffic and large remittances from Italians resident in the United States. Both those sources of income were reduced, and the position was made much worse by the decision of Italy to maintain a rate of exchange which was beyond her means. Italy's financial reserves were not too big, and if only she realised that her currency was hopelessly overvalued she would not run the risk of throwing in her limited reserves to maintain the existing rate of exchange, but by timely devaluation would put herself in a far sounder position than she was at the moment. The matter was of great importance because a strong Italy was essential to the peace of Europe. A financially weak Italy was a bad thing for everybody.

COMMENDATORE VILLARI said that the financial question was a very big and difficult one, and there was no time to deal with it adequately.

Italy had a budget deficit like all self-respecting States, but it was being steadily reduced. With regard to the question of inflation, Italy and other countries who had been through inflation had such disastrous recollections of its effects that they would make every effort to avoid reverting to it. Countries who had not been through it did not know what it meant. It would not do any good to reduce the value of the lira. Prices tended to find their own level by whatever name currency was called. Italy's currency was covered by adequate gold reserves. The reserve was not large, but circulation had been very steadily reduced, and efforts were being made to reduce it still further. The corresponding policy of reducing prices as far as possible had also been adopted; retail prices had been falling in Italy for several years and had gone down further than the reduction of wages. Italy had come to the conclusion that that was the wisest and soundest policy. She did not believe in juggling with currency and in playing tricks which did not bring any advantage in the long run.

# RECENT INTERPRETATIONS OF THE BRIAND–KELLOGG PACT[1]

By Sir John Fischer Williams, C.B.E., K.C.

The Briand–Kellogg Pact, or the Pact of Paris, as it is perhaps more appropriate to call it, excited at the time of its signature, in August 1928, high hopes in some quarters and a certain amount of cynicism in others. It has, recently, in a debate in the British House of Lords, been described as a "philosophical" document; a more common description to apply to it has been that of a "pious aspiration." It is my opinion that these descriptions are inadequate and even unworthy appreciations of the document, that the Pact is a symptom, if not of a prevailing current, certainly of a very strong undercurrent of feeling at the present time, an undercurrent which may easily become a world current, and as such that it is worth close study.

General Smuts the other day, speaking in South Africa,[2] told us that the United States (which, more than any other country perhaps, was responsible for the Briand–Kellogg Pact)

"now runs a grave risk of leaving in the air the Paris Peace Pact. . . . Unless she lends her cooperation in the economic and other isolation of an aggressor that has been marked down by the machinery of the League, the Pact will, I am afraid, remain the pious aspiration it has so far been."

I should like, if possible, to do something to rescue the Pact from the position both of philosophy and piety—expressions which seem to be used as equivalents of ineffectiveness.

The Pact has two clauses and a preamble.[3] That preamble

[1] Address given at Chatham House on February 21st, 1935, with the Right Hon. the Lord Howard of Penrith, G.C.B., G.C.M.G., C.V.O., in the Chair.

[2] Speech at a meeting of the South African Institute of International Affairs, Cape Town, February 9th, 1935.

[3] The text of the Briand-Kellogg Pact is as follows:

"The President of the United States of America, the President of the French Republic, His Majesty the King of the Belgians, the President of the Czecho-Slovak Republic, His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, the President of the German Reich, His Majesty the King of Italy, His Majesty the Emperor of Japan, the President of the Republic of Poland;

Deeply sensible of their solemn duty to promote the welfare of mankind; persuaded that the time has come when a frank renunciation of war as an instru-

is perhaps more than an ordinary preamble. It contains a statement that all the Heads of the signatory States are

"convinced that all changes in their relations with one another should be sought only by pacific means and be the result of a peaceful and orderly process, and that any signatory Power which shall hereafter seek to promote its national interests by resort to war should be denied the benefits furnished by this Treaty."

That is a solemn and impressive statement; it is not, as recitals to legal documents usually are, merely a statement of something preliminary to the operative clauses of the agreement, but is an enunciation of a conviction on the part of the Heads of the States who were parties to the Pact. Such a conviction, so stated, seems to me to rank as a positive proposition of international law when it gives us as a legal conclusion that an attempt to promote national interests by resort to war involves the forfeiture of the benefits of the Treaty.

Then follow the two clauses of the Pact. The first is a solemn declaration by the High Contracting Parties that they

"condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their relations with one another;"

the second is an agreement by the same Parties that

"the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

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ment of national policy should be made, to the end that the peaceful and friendly relations now existing between their peoples may be perpetuated;

Convinced that all changes in their relations with one another should be sought only by pacific means and be the result of a peaceful and orderly process, and that any signatory Power which shall hereafter seek to promote its national interests by resort to war should be denied the benefits furnished by this Treaty;

Hopeful that, encouraged by their example, all the other nations of the world will join in this humane endeavour and, by adhering to the present Treaty as soon as it comes into force, bring their peoples within the scope of its beneficent provisions, thus uniting the civilised nations of the world in a common renunciation of war as an instrument of their national policy;

Have decided to conclude a Treaty, and for that purpose have appointed as their respective plenipotentiaries: . . . Who, having communicated to one another their full powers, found in good and due form, have agreed upon the following articles:

Art. 1.—The High Contracting Parties solemnly declare, in the names of their respective peoples, that they condemn recourse to war for the solution of international controversies and renounce it as an instrument of national policy in their relations with one another.

Art. 2.—The High Contracting Parties agree that the settlement or solution of all disputes or conflicts, of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

So you have three things, a declaration of a conviction that changes are to be sought by a peaceful and orderly process on pain of the loss of the benefit of the Treaty, a declaration that recourse to war [1] is condemned, and an agreement that the solution of disputes and conflicts is never to be sought except by pacific means. This last agreement does not mean the High Contracting Parties will necessarily succeed in solving all disputes and conflicts by pacific means, but that they will not attempt to solve them except by pacific means.

The International Law Association at Budapest addressed itself to this question of what direct consequences in the realm of international politics should be deduced from this solemn instrument. The International Law Association has been spoken of recently as if it consisted solely of jurists, persons *ex hypothesi* unpractical. This is to do it an injustice; not only does the Association include in its membership an element of practical and commercial men, but it has something in the nature of the authority that belongs to a "Great Society"; whenever you get a body of men mainly of the same profession and the same tastes, gathered together from different nations, you will find there at once an atmosphere of common understanding, and a desire to seek something which goes beyond the divisions into which the human race is divided politically at the present time. That atmosphere is a fact—an "intangible"—one of the things with which statesmen and peoples have to reckon.

The Association of International Law produced what have been called Articles of Interpretation of the Pact.[2] What is the essential feature of these Articles? The essential feature is that the International Law Association has treated the Kellogg Pact as involving something in the nature of a revolution in the law of neutrality. The Articles treat the Pact as allowing the States who are parties to it not to be bound by all the rules of neutrality in the old sense towards any State which violates the Pact. On this showing the Pact follows on the same lines as the Covenant of the League of Nations, for these rules of neutrality had already by the provisions of the Covenant been subject to very large qualifications, to say the least of it, in respect to such States as are Members of the League.

Now the main principle of the law of neutrality as we have it at the present time, or had it a short time ago, is briefly this—

[1] I take "recourse to war" here to mean "recourse to non-pacific means."—J. F. W.

[2] For the text of the Articles see p. 354 below.

that in the event of war it is the duty of a State not a party to the conflict to treat both belligerents with absolute impartiality, and not to " take sides," not to be benevolent to one party and turn a cold shoulder to the other; this is the governing principle of the law of neutrality which was in force when the Great War broke out, even if it became subject for Members of the League to the provisions of the Covenant after the Great War had ended.

Now it is remarkable that this principle has not always been a part of international law. The greatest name among the classical authors on international law, Grotius, did not accept it. He told us that

" It is the duty of those that are not concerned in the war to do nothing whereby he that supports a wicked cause may be strengthened or whereby he that moves in defence of a good cause may be hampered." [1]

So that for the doctrine that neutrality need not be a rigid impartiality towards the two combatants, whether they are good or bad, we can quote a very respectable authority. True, it may be said that he is a rejected authority, an authority who was not followed even within a very little time after his death, but still we have here a weighty and highly respected name. Grotius went on to say that where the cause is doubtful the neutral States should show themselves " equally civil " to both parties, and it is, of course, true that soon afterwards the world readily made up its mind that in all wars the cause was doubtful, and that neutrals should show this impartiality, this " equal civility," to all belligerents, and could not discriminate between the just and the unjust.

The Budapest Articles thus interpret the Pact of Paris as a reversion to the older opinion of Grotius and a departure from the law of neutrality by impartiality which has been accepted in the intervening centuries. This duty of impartiality had come to be law largely because of the dominance both of the theory and of the fact of the separate and independent sovereign State. States were many and States were equal; they had to respect the decisions and opinions of each other. There was no community and therefore no common opinion. If the human race had been able to keep to the doctrine of the community of nations, the doctrine foreseen by Dante (no friend to an unworthy neutrality) [2] and inherited from Rome, if that doctrine had been kept alive, there can be little doubt that the view of

[1] *De Jure Belli ac Pacis*, III. 17. 3. (Evat's Translation, 1682.)

[2] *Inferno*, III. 37.

Grotius would have prevailed. A community would have had a common opinion.

It may well be that the historian of the future, when he looks back to the present time, will pick out as the special characteristics of our time the tendency to return to the idea of the collective system, to hold that our salvation is to be sought in reconsidering, if not exactly retracing, our steps and finding again, somehow or other, the means to rebuild or build up the international community. The Budapest Articles are a manifestation of that tendency. But indeed they were not the first intimation of that particular interpretation of the Pact. You will find that certainly one American Professor of International Law, whose opinions are worthy of respect, had already given expression to very much the same view.[1]

The question that agitates the lawyer at once is whether the Budapest Articles in interpreting the Briand–Kellogg Pact were "good law." That is rather a difficult question to answer. When one is asked on a particular point which has never actually been decided by a competent court, "What is the law?" a lawyer is not quite in the same position as a scientist who is asked what is the truth of some scientific theory. The lawyer when he is asked, "Is this good law?" is in fact asked to make a prophecy as to how a certain proposition will appeal to certain minds; he cannot prophesy in quite the same way in which a scientist, say an astronomer, can prophesy as to an eclipse. Let us look for a moment at some of the decisions that have recently been given by courts of high authority. We have just had a decision at the Permanent Court of International Justice, where the Court was divided, with six judges on one side and five on the other.[2] If a lawyer had been asked beforehand which of the two conflicting views in this case was good law, it is clear that whichever answer he gave he would have had weighty support for his view; he was, in fact, asked to make a prophecy of a delicate character as to how certain propositions were going to appeal to the majority out of eleven minds.

So, a little time ago there was a very important case in the House of Lords regarding the liability of a married man for wrongs committed by his wife.[3] The House decided it in one way, but two great lawyers—Lord Birkenhead and Lord Cave—

[1] The reference is to the article of Professor Quincy Wright in Vol. 27 of the *American Journal of International Law*, pp. 59–61 (January 1933).

[2] The Oscar Chinn Case. Publications of the Permanent Court of International Justice, Series A/B No. 63. December 1934.

[3] Edwards *v.* Porter (1925), A.C. 1.

were of the contrary opinion. As the majority of the court took the other view it followed that the view of Lord Birkenhead and Lord Cave was declared not to be the law. But it would have been a bold man who before the decision had said with confidence that these two great lawyers were wrong in their law.

When, therefore, a lawyer is asked on a difficult and rather new problem whether a particular solution is or is not good law, he may be excused for giving a prophecy only with very considerable reserve. People often talk as if the law was something which was barely human—a set of definite propositions the results of the application of which in any concrete case could be foreseen by means of a logical process with absolute certainty. Americans towards the end of the eighteenth century were very fond of speaking of the " government of laws " and contrasting it to its advantage with " government of men " (a brilliant if unknown American schoolboy spoke of a " government of lawyers, not of men "), but law, it must be remembered, is human, it is one aspect of human activity, to some extent it is influenced by human passion, and it inevitably reflects human opinion. Law has in it a certain element of emotion, especially in regard to great cases which are agitated at an early stage of the development of a legal system—an element of emotion and moral judgment. If you want a further illustration of that fact, consider the recent judgment of the Supreme Court of the United States, where the Judges were divided five to four on the famous Gold Clause Case. One is tempted to say in these crucial cases, where the law is taking a turn one way or another, having been up to that moment indeterminate, " I am not at all sure that I could not give you a better prophecy of the way which the court is going to turn if you would supply me with accurate biographies of all the judges, rather than with a set of the legal decisions and statutes involved." Mr. Dooley, who was not a lawyer, but a very shrewd student of human nature, told us that trade may or may not follow the flag, but the Supreme Court follows the election returns. That was perhaps a little hard on the Supreme Court if meant as a condemnation of its decisions; the election returns are, after all, only an indication of the prevailing temper in the community at any given time, and the law of any given community at any given time will tend to a great extent to follow the feelings and opinions prevailing in that community. And lest we become pharisaical at the expense of the Supreme Court, let us consider the way in which the doctrine of freedom of contract in English law has

fared since the 'eighties of the last century; without any legislation, and largely because there has been a great change in the ordinary popular opinion of our nation, there has been in relation to that conception a very considerable change in the law.

The illustrations which I have given, with the exception of the first case, that of the Permanent Court of International Justice, have been cases of municipal or national law. But this consonance of law with prevailing opinion is particularly true of international law. International law, one has to remember, does not profit from the same constant flow of decided cases, which regulates with us our municipal (or national) law. The consequence is that international judges necessarily have a rather freer hand. There is a smaller body of precedent to guide them.

Further, for international law we have to go to two main sources, what is known as the Law of Nature (which is a wide-reaching expression) on the one hand, and on the other the positive law contained in the actual agreements entered into by nations and their actual conduct.[1] International lawyers have from time to time been divided into two schools—" positivists " and " naturalists "—but it is perhaps fair to say now that modern international law combines the two bodies of doctrine. Article 38 of the Statute of the Permanent Court of International Justice prescribes that its law is to be drawn as well from international conventions (*i.e.* actual agreements in which States have laid down legal rules) and international custom (*i.e.* the actual customary conduct of nations), as from the general principles of law recognised by civilised nations, together with judicial decisions and the opinions of " the most highly qualified publicists of the various nations." Thus current informed opinion is an element in the formation of international law; it must be taken into consideration together with—or, rather, subject to—the principles which international law has to gather from the actual conventions and actions of States. (The French seem to speak of the source from which you get the natural element in international law as " *la conscience juridique de l'humanité*.") We have, therefore, this double source of international law, and we are bound, in considering what sort of decision an international court is likely to give as to questions of law, to remember that there will be these two streams of

[1] So Grotius, *De Jure Belli ac Pacis* Prolegomena 1: " jus illud . . . sive ab ipsa natura profectum aut divinis constitutum legibus sive moribus et pacto tacito introductum."

tendency affecting it. There will be on the one hand the actual conduct of States and on the other the general opinion of skilled and civilised humanity which is forming itself; these two elements combine and are as it were a father and a mother of the actual decisions of the Court.

Thus it is peculiarly difficult on a case of first impression, a case where no definite rule is clearly to be involved, to prophesy with any confidence as to the decision which a Court of International Law is likely to give. And in resolutions of bodies such as the International Law Association, it is often very difficult to distinguish the law which has actually been accepted, what is known as the *lex lata*, from the law which, at the time of the pronouncement, the Association considers ought to be accepted, what is known as the *lex ferenda*. But there is at any rate one thing undoubtedly true, and that is that in approaching these great international documents you must have a broad and liberal outlook and give a broad and liberal interpretation; in support of that statement (I must be forgiven if I display the tendency of a British lawyer to quote authorities even in speaking of these international questions) let me quote what was said by the late Lord Sumner. Lord Sumner was a man who was the least inclined of all men to emotional or even tendencious interpretations—his brilliant intellect was entirely free of sentimentality. In giving the judgment of the Judicial Committee of the Privy Council in a case [1] where he had to interpret one of the Hague Conventions of 1907, he said —

"Where principles by which future action is to be guided are laid down broadly, leaving to the Powers concerned the actual measures to be taken in execution of those principles, it is unreasonable to expect a greater precision than the circumstances admit of, or to reject as incomplete provisions which are expressed without much detail and sometimes only in outline. On the other hand, it is specially necessary to discover and give effect to all the beneficent intentions which such instruments embody and which their general tenor indicates. It is impossible to suppose, whatever the imperfections of their phrasing, that the framers of such instruments should have intended any Power to escape its obligations by a quibbling interpretation, by a merely pedantic adherence to particular words, or by emphasising the absence of express words, where the sense to be implied from the purport of the Convention is reasonably plain. Least of all [and here comes a sentence which we in England are in special duty bound to mark] can it be supposed that His Majesty's Government could have become parties to such an instrument in any

[1] *The Blonde* (1922), 1 A.C. at p. 326.

narrow sense, such as would reserve for them future loopholes of escape from its general scope."

Surely the International Law Association, whether knowingly or unconsciously, must have taken something very like that pronouncement as their guide in the broad and liberal interpretation which they gave to the Kellogg Pact.

Let me now invite closer attention to the actual text of the Budapest Articles.[1]

First there is a recital which is worthy of notice because it refers to the question of the use of " armed force " not amounting to formal war, and interprets the Pact by saying that by their participation therein sixty-three States have renounced any

[1] The final text of the Budapest Articles of Interpretation as resolved at the closing session of the Conference of the International Law Association on September 10th, 1934, is as follows:

" The Conference of the Association held in Budapest, September, 1934, agreed upon the following preliminary Articles of Interpretation of the Briand-Kellogg Pact, to be known as the Budapest Articles of Interpretation:

" Whereas the Pact is a multilateral law-making treaty whereby each of the High Contracting Parties makes binding agreements with each and all of the other High Contracting Parties, and

" Whereas by their participation in the Pact sixty-three States have abolished the conception of war as a legitimate means of exercising pressure upon another State in the pursuit of national policy and have also renounced any recourse to armed force for the solution of international disputes or conflicts:

1. A signatory State cannot, by denunciation or non-observance of the Pact, release itself from its obligations thereunder.
2. A signatory State which threatens to resort to armed force for the solution of an international dispute or conflict is guilty of a violation of the Pact.
3. A signatory State which aids a violating State thereby itself violates the Pact.
4. In the event of a violation of the Pact by a resort to armed force or war by one signatory State against another, the other State may, without thereby committing a breach of the Pact or of any rule of International Law, do all or any of the following things:

   *a*. Refuse to admit the exercise by the State violating the Pact of belligerent rights, such as visit and search, blockade, etc.;

   *b*. Decline to observe towards the State violating the Pact the duties prescribed by International Law, apart from the Pact, for a neutral in relation to a belligerent;

   *c*. Supply the State attacked with financial or material assistance, including munitions of war;

   *d*. Assist with armed forces the State attacked.
5. The signatory States are not entitled to recognise as acquired *de Jure* any territorial or other advantages acquired *de facto* by means of a violation of the Pact.
6. A violating State is liable to pay compensation for all damage caused by a violation of the Pact to any signatory State or to its nationals.
7. The Pact does not affect such humanitarian obligations as are contained in general treaties, such as the Hague Conventions of 1899 and 1907, the Geneva Conventions of 1864, 1906 and 1929, and the International Conventions relating to the Treatment of Prisoners of War, 1929."

recourse to armed force for the solution of international disputes or conflicts. This is an important point and I hope to say a word about it a little later on. But I may remind you now that so long as armed force does not amount to war in the technical sense, duties of third States and rights of belligerents under the law of neutrality do not arise.

After the recital come the actual articles themselves:

1. The first Article says that a signatory State cannot, by denunciation or non-observance of the Pact, release itself from its obligations thereunder. It is quite plain what this means, and it can hardly give rise to controversy.

2. The second Article affirms that a signatory State which threatens to resort to armed force for the solution of an international dispute or conflict is guilty of a violation of the Pact. The main purpose of this Article I take to be to assimilate the threat of action forbidden by the Pact to the fact of such action. The threat is as much a violation as the act. The threat involves the use of war or armed force as a possibility, just as the act involves its use in fact, as a part of national policy. It will be noticed that the Article repeats the reference to armed force contained in the recital.

3. The third Article says that a signatory State which aids a violating State thereby itself violates the Pact. This is sufficiently clear. It merely illustrates the principle well established in all law, that anyone who combines or conspires with someone else to do an unlawful act is himself or herself guilty of the violation of the law—an accessory before the fact.

4. Then comes the fourth Article: here we get on to more doubtful ground and we are at the most critical and important point, the effect of the Pact on the law of neutrality. The Article says that in the event of a violation of the Pact by a resort to armed force or war by one signatory State against another, the other signatory State may, without thereby committing a breach of the Pact or of any rule of international law, do all or any of the following things:

*a.* Refuse to admit the exercise by the State violating the Pact of belligerent rights, such as visit and search or blockade, etc.
*b.* Decline to observe towards the State violating the Pact the duties prescribed by international law, apart from the Pact, for a neutral in relation to a belligerent.
*c.* Supply the State attacked with financial or material assistance, including munitions of war.
*d.* Assist with armed force the State attacked.

This is to say that the Briand–Kellogg Pact is interpreted as implying that the old obligations of neutrality cannot be insisted upon as against another signatory State by a signatory State which has violated the Pact.

The State which has violated the Pact by resorting to war cannot complain if it is not recognised as entitled to exercise, as against some other signatory, the rights of a belligerent. "You the wrong-doer," is what one may suppose the signatory State, the third party, to say, "you may not search my ships because you are a belligerent who in relation to myself have no right to be engaged in war at all. Your entry into the war was contrary to the Pact which you made with me, and you have no right to insist that I should treat you as if you were lawfully and properly at war. You cannot enforce against me the active rights of a belligerent."

The next paragraph of this Article states the converse of this proposition. A signatory State, we are told, may decline to fulfil towards a State violating the Pact the duties prescribed by international law, apart from the Pact, for a neutral in relation to a belligerent. "You, the State that has violated your Pact with me, you cannot complain if, for example, I allow enemy aeroplanes to fly over my territory to attack you. You cannot complain if a cruiser, an *Alabama*, is fitted out in one of my ports. You cannot enforce against me the observance of the duties of a neutral."

The third branch of the Article gives illustrations of the action contrary to the older law of neutrality which is open to the third State: a State, signatory to the Pact, may supply a State attacked with financial or material assistance, including munitions of war. Let us only note in passing that there may be another justification for this in the Convention for Financial Assistance to which already many States are parties.

Observe that all these things are stated as options to, and not as obligations on, the non-belligerent State which is a signatory of the Pact. There is no suggestion in the Articles of the International Law Association that the third State is bound to take such action. The third State has to make up its mind as to whether or not one of the belligerents has violated the Pact; when it has made up its mind, all that the Budapest Articles affirm is that it is then open to it to consider itself free from the obligations of neutrality. It can inspire its action by the principle of Grotius. In practice it is hardly likely to take action except after consultation with other interested States.

The Budapest Articles go a little further than an assertion of a right to discriminate in the treatment of the two belligerents; the last paragraph of the fourth Article says that it is open to a signatory State to assist with armed force the State attacked. I feel some difficulty about that. One can see the logical justification for it; if the aggressor State is no longer protected by the Pact, it cannot complain of a declaration of war; but I cannot help thinking that if one looks at the Pact broadly, and attaches primary importance to its overriding purpose and spirit, one must agree that it would be a violation of the Pact for a signatory State to seek to settle a dispute with another signatory by an immediate resort to war. It would be more in accordance with the spirit of the Pact if the third State in the first instance contented itself with not observing the rules of neutrality, and did not at once rush into the use of armed force against the violator.

This fourth Article then is the most important of the Budapest Articles and it is the one which has given rise to the sharpest difference of opinion.

There are other Articles. Signatory States are said not to be entitled to recognise as acquired *de jure* any territorial or other advantages acquired *de facto* by means of a violation of the Pact. My own particular heresy on this point is that I am not at all sure how far recognition *de jure* is a very workable method of procedure in these cases; is not a refusal to recognise an accomplished fact often an excuse for avoiding action in a difficult state of affairs instead of seeking real remedy for the evil? In any case it seems difficult to insist upon a positive duty not to recognise. For how long is the duty to continue?

Then a violating State is liable to pay compensation for all damage caused by a violation of the Pact to any signatory State or its nationals. This Article will not give rise to much dispute, though our experience of the recovery of damages from a State which we held to have violated international obligations does not encourage us to hope for great results.

Lastly, there is a declaration that the Pact does not affect such humanitarian obligations as are contained in general treaties such as the Hague Conventions of 1899 and 1907, the Geneva Conventions of 1864, 1906 and 1929, and the International Convention relating to the Treatment of Prisoners of War of 1929. This is surely an Article which must be read with the naked eye and rapidly rather than examined with the microscope. It is intended as a reminder that non-observance of neutral

[illegible] say that the Briand–Kellogg Pact is interpreted a[illegible] [illegible] the old obligations of neutrality cannot be insiste[d] [illegible] against another signatory State by a signatory Stat[e] [illegible] has violated the Pact.

[illegible] State which has violated the Pact by resorting to wa[r] [illegible] complain if it is not recognised as entitled to exercise [illegible] against some other signatory, the rights of a belligerent. "You the wrong-doer," is what one may suppose the signatory State, the third party, to say, "you may not search my ships because you are a belligerent who in relation to myself have no right to be engaged in war at all. Your entry into the war was contrary to the Pact which you made with me, and you have no right to insist that I should treat you as if you were lawfully and properly at war. You cannot enforce against me the active rights of a belligerent."

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duties must not be used as a charter for conduct which could fairly be blamed as being contrary to the ordinary humanitarian duties enshrined in international practice and international law.

What then is the basis—to come back to the fourth Article—upon which this somewhat revolutionary right of the signatory State to declare itself free from the obligation of neutrality is claimed? The justification must be sought by the argument that the Pact has by implication returned to the Grotian distinction between the just and the unjust war. A war resorted to in violation of the Pact cannot be treated as justifying the claim—a claim which would result from a "just war," to at least to the observance of impartiality by the States signatory of the Pact.

It may be argued that on this showing the Pact has changed the law in a manner not contemplated by the signatories; and indeed it must be admitted that it may well be that some or most of the signatories did not realise that such a change was the necessary consequence of their action. But in truth and logic the old law, it will be answered, cannot subsist side by side with the new; you cannot give full effect to the Pact and combine it with a rigid observation of the older law of neutrality. The signatories must be taken to have intended the necessary consequences of their own acts.

If now I am asked whether, on this great question of neutrality, I should approve of these Articles if I were a judge, I would first ask that the matter should be looked at from a practical standpoint and that it should be considered in what conditions the point would arise for decision. The hypothesis is that one Power breaks the Pact and attacks another, and then a third Power signatory to the Pact does such things as to supply the attacked Power with munitions from government factories, convoy its own ships laden with those munitions, and protect them against seizure by the aggressor Power. (Let us note in passing that this third Power is unlikely to take such action except after consultation with other Powers.) And suppose at the end of the war (for this is how the point would come to be tested) the aggressor Power sued the Power which had taken the view that it was at liberty to disregard its duties of neutrality, and brought against it the same sort of claim that the Americans brought against Great Britain in connection with the *Alabama* affair; what would be likely to be the decision of an International Court? We are here in the realm of prophecy and we

cannot tell who the judges would be; I will merely say that I think there would be a good chance that an International Court would take much the same view that has been taken by the International Law Association, it would say that the wrong-doer had no authority to invoke the protection of law against a Power in relation to which it had itself violated the solemn obligation contained in the Briand–Kellogg Pact. If I am asked to give a further argument in support of such a prophecy as to the decision which an International Court might take, I may pray in aid the recent declaration [1] of the American Secretary of State, Mr. Hull, speaking at the annual dinner of the Canadian Society of New York in the presence of the Canadian Prime Minister. Mr. Hull told his audience that the " four pillars of a sound peace structure " were,

" first, renunciation of war as an instrument of national policy; second, the promise of non-aggression; third, consultation in the event of a threat to peace, and fourth, non-intervention on our part with such measures of restraint as may be brought against a deliberate violation of peace."

Well, that is a considerable development of American policies, though it is not the first time such things have been said by an American Secretary of State, and if the United States is prepared, in carrying out the policy of the Briand–Kellogg Pact, to consult with other signatory Powers and to act on the result of the consultation in such a way as to waive some of its most cherished traditions in relation to maritime warfare, there is a spirit abroad in the world which would be likely to bring a decision of an International Court to the support of that optional abandonment of the strict duties of neutrality, declared by the Budapest Articles to be a legitimate consequence of that Pact. It is well not to be over-sanguine, but at any rate we need not be pessimistic.

One further point remains: the Articles, as we have already seen, treat the Pact of Paris as prohibiting a recourse not merely to war but also to " armed force," for the solution of international disputes. This is an important matter, and the view taken in the Articles has not been exempt from weighty criticism.

But on a broad view, interpreting the Pact on the liberal lines appropriate to the understanding of such an instrument, the Articles seem to me on this point to be justified. The Pact tells us that changes in international relations " should be sought only by pacific means and be the result of a peaceful and orderly process," " the settlement or solution of all disputes or con-

[1] See *The Times* of February 18th, 1935.

flicts . . . shall never be sought except by pacific means." Does the expression "pacific means" include all proceedings, however violent they may be and though they involve the use of armed force, subject only to the limitation that no state of "war" exists, in the full sense of an armed conflict recognised by both parties as belligerency and involving neutrality by third Powers? To answer "yes," with the recollection of what happened in the recent Sino-Japanese conflict, is surely to do violence to common sense and to give to the Pact an interpretation revolting to the feelings of the ordinary man. It is important in this connection that the other general organisation of international lawyers—the Institute of International Law—at its meeting last October in Paris approved the exclusion of the use of armed force from legitimate reprisals; even if this was done "*de lege ferenda*" the resolution is itself evidence of the way in which "*la conscience juridique de l'humanité*" regards the use of force in international relations even when it falls short of formal "war."

What then is the conclusion of the whole matter? I will venture to state it in this way: a strong current of civilised opinion is seeking the organisation of a collective system for the suppression of war; this opinion has for one of its manifestations the Pact of Paris. A bold interpretation of the language and spirit of that Pact finds that its observance is inconsistent with the maintenance of the older doctrine of neutrality in all its branches. Such an interpretation has been given by the Budapest Articles. There is a reasonable chance that if the matter were ever tested in an International Court the Budapest Articles or at any rate the more important among them would be upheld.

*Summary of Discussion.*

MR. WYNDHAM BEWES said that there was very little difference of opinion between himself and Sir John Fischer Williams, and he wanted to support in general terms and on general grounds the Articles which the International Law Association had prepared. There were a few preliminary remarks which it might be useful to make. The first was that the Briand-Kellogg Pact was not a document which was precised by the use of technical terms. It was in popular language and as such must be interpreted. As Grotius said,

> "If there is no implication which suggests a different conclusion, words are to be understood in their natural sense . . . according to current usage." [1]

It was agreed that the whole object of interpretation was to carry

[1] Chap. XVI. 275.

out the intention of the parties—in the case before them the abolition of war as an instrument of national policy.

In the second place it was to be noted that the interpretation of any document might be broad or narrow and that was chiefly to be regulated by the purpose of the instrument in all cases of doubt. Thus, it was a recognised principle that instruments restrictive of liberty must be construed in the narrow sense, while those which enlarged liberty or removed grievances demanded the larger treatment. He suggested that the Briand-Kellogg Pact was of the latter class and that it must be construed generously, so as to secure that its purpose was attained so far as possible by the elimination of war, and the maintenance of a war-less world. The recognised maxim there applicable was " Ut res magis valeat quam periat."

Grotius divided promises into favourable, odious, mixed and median :

> " Those promises [he said] are favourable which are made on a basis of equality and promote the common advantage. The greater and more extended this advantage is, the greater the favourableness of the promise this then is greater in promises that contribute to peace than in those that contribute to war."

It should also be remembered that international law, or international morality, was a bigger thing than what was called morality in the civil life of individuals, which included such elements as could not be directly enforced by the courts in the form of positive law.

International law was stereotyped international morality and demanded a generous interpretation to the end that that morality should be realised in its enforcement. It was this principle, to a large extent unknown in ordinary civil life, that commended itself in its application to concrete cases as might be seen, he thought, in certain judgments of the Permanent Court of International Justice and perhaps also some of those of the Supreme Court of the United States.

So in order duly to construe the Pact it was necessary to consider the world as a war-less world which it was the duty of all signatory States to maintain in that essential condition. It was a new world—one to which people were only slowly adapting their thought—but one which restricted the autonomy of the signatory States which had combined to produce that condition. It was the consideration of that governing principle that justified the interpretative Articles which were directed to show in some exemplary instances the necessary implications which evolved from the status of the new world and from the Pact which had brought it about—

> " No man putteth new wine into old bottles, else the new wine will burst the bottles and be spilled and the bottles shall perish
>
> But new wine must be put into new bottles, and both are preserved." [1]

Without going through each of the Articles one might well take No. 3 as an example of some others. " A signatory State which

[1] Luke v. 37.

aids a violating State thereby itself violates the Pact." State A violated the Pact by declaring war against State B. State C supplied State A with munitions of war knowing of the condition of war between A and B. Two grounds existed for condemning C. First she had made herself an accessory to the offence of A, and secondly she had put herself into the position of being an enemy of B without saying so. It was a just cause for a declaration of war by B against C. Grotius said in Book III, chap. I. V.:

> "1. But there often arises this question, What is permissible against those who are not enemies, or do not want to be called enemies, but who furnish our enemies with supplies? . . .
>
> 2. First, we must make distinctions with reference to the things supplied. There are some things, such as weapons, which are useful only in war. Others which are of no use in war . . . and others still which are of use both in time of war and at other times. . . .
>
> Regarding the first class of things, the saying of Amalasuntha to Justinian holds true, that he who supplies an enemy with things necessary for warfare is on the side of the enemy."

The wider and probably also the narrower interpretation of the Pact condemned C also as a violator.

In the condition of the world as altered by the Pact that help given to a violator was quite inconsistent with a frank renunciation of war and with the solution of disputes by pacific means only, and the satisfaction of financial greed only aggravated the offence.

Lord Iddesleigh said that they had so far discussed the Articles from a purely judicial point of view, but there was another point of view which deserved to be considered, and that was the political problem of whether it would or would not be desirable for the British Government, either then or at some future time, to declare its adhesion to the Articles.

It was obvious from what had been said that the Government was by no means compelled to adopt those particular interpretations. They had been justly described as liberal interpretations, which meant that they did not strictly or inevitably follow from the terms of the Kellogg Pact which had been signed. He wanted to suggest certain doubts about the wisdom of recognising Article 4 and especially Article 4(*a*), by which it was permitted to any signatory State to refuse to admit the exercise by the State violating the Pact of belligerent rights, such as visit and search or blockade, etc.

That Article above all others seemed to him fraught with the utmost peril to world peace. It had been pointed out that it was an optional Article, but was there not a great danger that if an actual war broke out great pressure would be brought to bear upon the Government of Great Britain to exercise its rights under that optional clause? Suppose countries A and B were drawn into conflict over some territory. When that happened the possibility might be envisaged that A would be adjudged to be the aggressor by the League of Nations, by popular opinion, or by some other tribunal. Suppose

then that a large section of opinion in Great Britain urged the British Government to take every possible step to show its reprobation and horror of A's action and to take advantage of that interpretation of the Briand-Kellogg Pact. What was going to happen? Suppose that A were blockading a port and Great Britain instructed her merchant skippers that she did not admit any right of search on the part of A's naval officers. Sir John Fischer Williams had said that A could not complain if Great Britain refused to admit that right, but he thought that they would complain and would put a shot across the bows of the merchant ship, and would send their officers on board and insist on searching, and, if the merchant ship were foolish enough to stick to its point, he thought that she would be sunk. Surely in that situation there would be a great risk that Great Britain would be involved in war with A within a few weeks. The right attitude to adopt in that case might be to say that although Great Britain did not recognise the right of A to do what she was doing, yet that she proposed to sit down under it in practice. He did not think Great Britain would be likely to adopt that attitude, but that she would send stronger and stronger notes to A and that finally she would be brought to a state of war. He thought these points deserved some consideration and some answer and would be exceedingly grateful if Sir John Fischer Williams would deal with them.

DR. LAUTERPACHT said that he certainly did not disagree with Sir John about the necessity of providing a legal interpretation of the Pact which, so far as jurists could legitimately do it, would make the Pact more effective. But he did not always agree about the method. The most conspicuous thing about the Pact was the very wide divergency of views which one might quite legitimately hold about its legal effect. On the one hand there was no doubt that the Pact had effected a fundamental change in international law. Prior to the signature of the Briand-Kellogg Pact war was an instrument not only for giving effect to international law, but also for changing the law. This had indisputably been changed. On the other hand, it had been widely held that the legal results of the Pact were next to nothing.

He did not approve of the American lawyer who held the view that the Kellogg Pact sanctioned all wars, but it was difficult to deny that it was possible for a State to go to what was actually war without having disregarded the terms of the Treaty. It had also been widely held that it was possible for a State to remain neutral in wars undertaken contrary to the Pact without having disregarded the effect of the Pact in law or in spirit.

It would appear that the signatories of the Pact had consciously and deliberately refrained from drawing from the Pact the consequences which the International Law Association and other lawyers had attempted to draw. To say this was not to suggest a quibbling interpretation of the Pact. It was not a case of quibbling and he would like to modify the approval which had been given in this connection

to the dictum of Lord Sumner in the case of the *Blonde.* In that case it was suggested that a Hague Convention of great importance was not binding for the reason that a small State, Serbia, was not a party to it. He thought that was a case of quibbling about a very minor point.

But the position in regard to the Pact was that the signatory States had refused to draw certain legal conclusions from it. It was not that they forgot about neutrality. Neutrality had been a theme of constant discussion in the years which preceded the conclusion of the Pact. They did not forget about these possible consequences of the Pact, but refused to accept them. He thought it was a fair question to ask whether the signatory States would have signed the Pact if they had realised that doing so involved an express acceptance of the provisions evolved by the interpretation of the International Law Association.

He would be the last to deny the influence of a judge but he did not think that any judge would openly say that he was changing the law. He suggested that there was a limit to drawing logical conclusions from a Treaty which States had signed. International Law was not a logical system. It admitted war which was in direct contradiction to any system of law within a State. He thought, therefore, there must be some limit to the drawing of conclusions which States themselves had refrained from drawing. This was particularly so with regard to neutrality. It had been suggested that the Treaty deprived a signatory State which went to war in violation of the Pact of the benefits of the Pact, and that clearly if it was allowable to go to war with that State it was allowable to inflict on it a minor evil by denying to it the rights of neutrality. But this was a contention which could not be supported without reservation. A State which went to war against the provisions of the Briand-Kellogg Pact did not become a State having no rights at all. Also it was not quite satisfactory to say that as the third State was entitled to go to war, it was at least entitled to break the duties of neutrality without going to war. This was not so. A State which merely disregarded the duties of neutrality incurred no risks at all, while by going to war it risked its very existence.

With regard to the reliance placed by Sir John on the remarks of the American Secretary of State, he thought the time had come in which they must treat pronouncements of American Secretaries of State with some caution. Recent experience had shown that even in matters in which the United States were not expected to undertake any obligation but merely to make a gesture they might be reluctant to break with a cherished tradition of isolation.

He wished to dispel any misunderstanding that the caution he was suggesting was contrary to the interests of the Briand-Kellogg Pact. He thought it might be the duty of lawyers and others not to create an impression that instruments possessed certain effects which in the opinion of the government they did not possess. The

good-will of lawyers could not in itself create such effects. He sincerely hoped that the judges in future of the Permanent Court of International Justice would be of the same mind as Sir John, but even then there would arise the question as to what attitude would be adopted by States if they arrived at the conclusion that judges had changed the law instead of applying it. He did not think it was always in the best interests of peace to foster the impression that certain changes which were desirable had already taken effect.

DR. G. G. COULTON referred to the last speaker's remark that it was dangerous to create an impression that instruments possessed certain effects which in fact they did not possess and that it was not in the best interests of peace to make people believe so and so. As a teacher of history he would like to suggest to Sir John Fischer Williams that it was not so much that we had *revived* the idea of collectivism in the world, as that the intelligentsia had always had the idea, which broke down even in the Middle Ages. Although it had been claimed that one language (Latin) and one religion prevented people from having a national outlook, there was, in fact, strong nationalism in the universities, in the crusades and even in the monasteries. Marsilius of Padua in 1320 and Machiavelli in 1520 had both said that Europe was full of wars because what was supposed to prevent war, the central authority, was the main cause of war. People had then given up for a time the old idea of centralisation, and had been obliged gradually to recognise nations claiming separate sovereignty; so that the actual problem was how to balance these nations against each other. Ideas by themselves were not sufficient. Something was wanted at the back of ideas; and it was not to abolish force that people were striving. They had given up the delusion that force was of no significance in the world. The idea was not to abolish it but, as far as possible, to apply forces against each other. The idea of the balance of power in Europe had been given up, as being practically an attempt to balance gunmen against each other. The modern aim was to get a balance of force through some sort of international police; and there could not be any international police unless each nation had sufficient potential force to turn it into actual force against an aggressor, and unless they were determined to do so.

If it was really true that a document like the Briand-Kellogg Pact which these international lawyers had attempted to interpret, provided no security; if it was really true that a nation could still commit the worst injustices without breaking the letter or spirit of this Pact; if that was really good legal interpretation, then it was necessary to get rid not only of war but of the lawyers. Behind the law there must be realities, and one of the most important realities was that those who had no temptation to break the law should be strengthened, and those who had temptation to break the law should be powerless.

ADMIRAL DRURY LOWE asked whether the preamble to the Briand-Kellogg Pact was binding on the nations which had signed or ratified

the Treaty. The words he referred to particularly, were those stating that any signatory Power which should thereafter seek to promote its national interests by resort to war should be denied the benefits furnished by the Treaty.

DR. MAXWELL GARNETT said that Dr. Lauterpacht had seemed to attach insufficient importance to the statements by Mr. Hull, and before that by Mr. Norman Davis and before that by Mr. Stimson. In spite of the fact that the consent and approval of the Senate might not be forthcoming, those pronouncements were of great importance. When Mr. Norman Davis or Mr. Hull said that the President of the United States was prepared to consult with other Powers in certain circumstances, was it not true that the President could do so without waiting for any authority from the Senate? When it was said that in certain circumstances the President would refuse to exercise neutral rights, surely again the President could do so. If these things were true, was it not very important for the immediate future of the world that we should take every notice of them? It mattered very little that we could not get a sufficient majority to make the United States adhere to the World Court, provided they cooperated in the collective system.

He thought that it would tend to deter country A from aggression if she knew that Great Britain were going to interpret the Briand-Kellogg Pact after the manner of the Budapest Articles, and that she would find every State which was a member of the League, or at least every State which had signed the Briand-Kellogg Pact, lined up against her.

He wanted to ask Sir John a question about what Dr. Lauterpacht had suggested, that the Budapest interpretations could not be right, because if they were right the parties to the Pact would themselves have drawn those conclusions. He would have thought that it was for Courts of International Law ultimately to draw conclusions and that, in the meanwhile, there was no need to suppose that the conclusions of the International Law Association were illegitimate.

SIR JOHN FISCHER WILLIAMS, in reply, said that he would like to say one word on the question of the Senate and President of the United States. The Senate was only involved when it was a question of making a treaty, and then, by the curious provision of the United States Constitution, a two-thirds majority was necessary. In the conduct of policy it was the President who counted and it was justifiable to assume that a Secretary of State spoke the mind of the President when he made a declaration of importance.

It was a great pleasure to find Dr. Lauterpacht was so nearly in agreement with himself, but there was one thing which he had said with reference to the danger of lawyers speaking beyond the intentions of States as to which he would like to say a word. Dr. Lauterpacht had suggested that there was a danger of getting a decision of a Court with which States would refuse to comply. He

did not himself think it would work in that way. The matter would come before a Court after the refusal, in a war, of some third State to observe the duties of neutrality, and there would be a case in the nature of the *Alabama* case, an action before the appropriate tribunal against the State which had not observed neutrality asking that damages should be assessed. If the Court dismissed the action, that would be an end of it. The aggrieved State might brush aside that decision, but the only possible thing it could do would be to declare war, and the very fact that it had submitted the question to a tribunal would make it very unlikely that it would then declare a new war.

He knew Lord Iddesleigh thought him a hopelessly unpractical person. He was supposed to have said that the naval officers of country A could not stop a British ship. Of course they could. But if they came before a Court, A might be told that she had no right to stop a British ship. He quite appreciated that no British Government should rush in hastily and declare that it accepted the Articles. If there were general agreement, well and good, but there were many arguments against a unilateral declaration by Great Britain.

Admiral Drury Lowe had asked as to the validity of the preamble, and particularly that clause in the preamble that any signatory Power which should seek to promote its national interests by resort to war should be denied the benefits furnished by the Treaty. It was rather a delicate thing to explain exactly the importance of a preamble. The preamble to a contract was not itself part of the contract, but was usually used to explain the reasons for entering into the contract. But the reasons might be given in such a form that they showed that the parties' understanding of the law was such and such, and he thought that this was the case here. When sixty-three Powers of the world combined to declare that such was their understanding of international law it was an intimation that such was the law.

The real matter which would fall possibly to be decided either by a duly constituted legal court or by the general drift of human opinion was how far it was possible to organise something in the nature of a collective system. In the Roman Empire there had been something in the nature of a collective system in force. The tendency towards a collective system was one of the most powerful if not the most powerful element in the existing international system, and the Briand-Kellogg Pact was an indication of a move in that direction. How far it went might be open to dispute, but it might go a considerable way.

He felt inclined to challenge Dr. Lauterpacht when he suggested that the proper way for a court to look at the question of interpretation was to consider what the parties, when they signed or ratified the Treaty, would have thought of the proposed articles of interpretation—the suggestion being that they would have drawn back in horror at such an innovation. He was not convinced that this was the way to put the question. One must assume that the parties intended the natural consequences of their acts; he was not at all

sure that a State any more than a man was entitled to get out of a contract because it might afterwards find that it had not rightly reckoned up all the consequences. A man might not have meant to go so far, but the answer was that he had in fact gone so far. If it had been pointed out to a signatory what the consequences of the Pact were, he might have jumped one way or another. But to ask which way he would have jumped was not a relevant question.

It was necessary to take the provisions of the Pact as an embodiment of tendencies and principles, as foundations, and build on them. They should be treated in the broad spirit in which Lord Sumner treated the Hague Convention. Another very eminent judge had treated that particular Hague Convention in a different way, so that there were two very eminent lawyers drawing contrary conclusions from the same instrument and the same facts. The Pact at most gave options and did not impose duties. It might well be that a time would come when those options might be used in the direction of attacking war on the broad basis of the feeling that it had become incompatible with civilisation; not rashly, but as and when an appropriate opportunity arose, it might be possible to give effect to that conviction by the political action of Great Britain.

THE CHAIRMAN, LORD HOWARD, said that as a practical man he felt that it did not much matter what words were used if they were really leading to some collective system that would maintain peace.

He agreed that to make them effective, acceptance of the Budapest Articles of Interpretation must be almost universal and that Great Britain should not make a public act binding herself to enforce them until she was sure that she would be able to enforce them.

He did not quite agree with all that Sir John had said about the position of the President of the United States. Although the President and Secretary of State might say in that particular case that they would carry out the view that the signatories of the Briand-Kellogg Pact were absolved from the ordinary duties of neutrality, there was no guarantee that the President would be there two years hence, and that this would be the view of his successors. It was essential that his statement should be endorsed in some way by the action of the Senate. In order to be quite sure of the future it was necessary to wait until the President and Senate were in agreement on a point of that sort and embodied that agreement in a Treaty or Protocol. To that extent he was in agreement with Dr. Lauterpacht.

But the fact that two Secretaries of State, Mr. Stimson and Mr. Hull, had suggested that war could be truly outlawed (not only as Senator Borah did, who afterwards said that America would always fight for the freedom of the seas) gave one a very good idea of the drift of public opinion in the United States. It was moving more rapidly in the direction of collective action than it had been five years ago, and he would not be surprised to find that it was moving in that direction even in the Middle West.

# PALESTINE'S PROGRESS AND PROBLEMS[1]

By Professor Norman Bentwich, M.C., O.B.E.

I was in Palestine this winter after an absence of nearly two years. During that time there had been remarkable change in the country, remarkable even in the modern annals of Palestine, which since the British Occupation has been developing at an amazing rate of progress. I make no apology for mentioning the Jewish development first; since that is the outstanding feature.

The progress appears at first sight to be mainly material, and it has been said that during the last few years the Jewish National Home has materialised. But inevitably the first appearances of change are material: other changes take longer to work out. The growth of population, particularly of Jewish population, has been extraordinary. The census of 1931 gave a Jewish figure of 175,000 in a total of 1,050,000, or about one-sixth. That enumeration indicated an unparalleled increase by over one-third during the nine years which had intervened since a first census was taken by the British Administration: the Jewish population had more than doubled, mainly owing to immigration; the absolute increase of the Arab population by natural fertility was nearly double that of the Jews. But since 1931 the movement has been still more rapid. The Jewish population has been increased, by 75 per cent. and more, to over 300,000, about a quarter of the whole; and the rate of increase, which was higher in 1934 than in 1933, promises to be higher again in 1935. It is not generally recognised that the whole of the immigration is not controlled as to quantity by the Government, but only that part which consists of persons entering as workers without capital. For this class the Government draws up every six months a Labour Schedule indicating the number of persons of different categories who could be absorbed in employment. The quota, or, as it is called, the Eacop—that is, the economic absorptive capacity of Palestine—is translated into certificates which are distributed through the Jewish Agency among the tens of thousands waiting for the chance of entering the Promised Land.

[1] An address given at Chatham House on March 7th, 1935, with Sir Andrew McFaydean in the Chair.

The Jewish Agency gives a guarantee to the Government that the immigrant will not be a charge on public funds for a year. The Eacop has been rising; and for the current six months was fixed at 9500. But from this total the Government reserved some 2000 certificates to cover cases of persons entering the country as tourists and then deciding not to use their return tickets but to stay as residents. That form of immigration, sometimes carried out without compliance with the Government regulations, and another less licit form of gate-crashing by persons who had no visa at all but were smuggled over the sea or land frontiers, reached serious proportions in the first half of 1934. They have both been substantially checked.

The growth of population has been marked particularly in the urban areas, and most of all in the three chief towns, Jerusalem, the twin city Jaffa-cum-Tel Aviv, and Haifa. Both Jerusalem and Tel Aviv have now passed the 100,000 mark and have overflowed their old banks, so to say, for miles. For Jerusalem the expansion is not so incalculable. It was a metropolis in former ages and, until the discovery of America, was marked as the centre of the world in all the ancient maps. It had a population of some 60,000 before the War, and is growing rapidly but not sensationally. It is still, above all, a city of institutions, of mosques and synagogues, churches and convents, of charitable and government offices, of universities, seminaries and schools. It will probably expand faster when the water supply, which is at long last being laid from the Auja Springs near Jaffa, is working, as is promised this summer, and the inhabitants may take baths without stint.

Tel Aviv grows more sensationally. Two years ago it celebrated the twenty-fifth anniversary of its first building, and it was only a little garden suburb of Jaffa, with possibly 2000 inhabitants, at the time of the British Occupation. It became a township in 1922, and in the first period of large Jewish immigration rose suddenly to a town of 40,000. There was then a temporary set-back, and the sceptics talked of the city built on sand dunes. The enterprise of its citizens and of the unceasing immigrants has refuted the sceptics, and it has become the largest city in the land, more populous than Jerusalem, nearly twice as populous as its parent-city, Jaffa.

Haifa grows in more orderly measure, conscious perhaps that time is with it, and that it must before long become one of the great commercial and industrial centres of the Middle East. The population of the city has doubled in recent years, but is still some way below the size and numbers of Jerusalem and Tel Aviv.

The opening in 1933 of the harbour, which is already too small for immediate needs and is to be extended forthwith—it is difficult to think largely enough in Palestine—the completion of the pipe-line bringing oil from 'Iraq by the longest subterranean tube in the world and the prospect of the building of an oil refinery in the Bay of Haifa, and, lastly, the new German immigration which is centring its enterprise in the neighbourhood of Haifa and planting industry on a large scale on what were the Kishon Marshes, assure to Haifa a steady expansion.

The growth of the urban population is not, indeed, an unmixed blessing for the Jewish National Home. It has not been matched by a parallel growth of the Jewish rural population. The Report on the census of 1931 by Mr. Mills, the Commissioner for Immigration, that Book of Numbers of modern Palestine, showed a hopeful growth, not only absolutely but relatively, of the Jewish rural population—between 1922 and 1931 the numbers had risen from 18,000 to nearly 50,000, and the proportion from 18 per cent. to 26 per cent. That appeared to indicate that the Jewish movement " back to the land " was gaining impetus. The figures of recent months, since the phenomenal immigration, are less satisfactory. The Jewish rural population has increased somewhat in numbers, but the proportion to the urban population has descended steeply. It is calculated that it has dropped to 15 per cent.; and even that may be a flattering figure, because certain areas still counted as rural in the outskirts of Tel Aviv are rapidly becoming industrial. The number of Jewish agricultural labourers has, too, actually diminished in spite of a very substantial increase of the area of Jewish plantations. The cause of the rural decline and the " back to the town " movement is simple; it is the abnormal rise of wages in the towns, and the serious under-employment, particularly in the building trade, during the last two years of incessant flow of population and capital. The Government, in its fear of a crisis in the future, restricted the Labour Schedule narrowly, with the result that it produced a labour crisis in the present. The wages of Jewish unskilled labour, which were regarded as high previously in the standards of the Middle East, nearly doubled; the wages of skilled labour approached £1 a day. The skilled tradesman has become the aristocrat. The story is told of a marriage broker who offered the parents of a young woman with a dowry of £1000 first a doctor and then a lawyer. The parents rejected the offers, and the irate broker exclaimed : " Perhaps you expect a plasterer for your miserable £1000."

Jewish agricultural development, indeed, moves forward in

spite of the relatively static figures of the rural population. The areas planted with citrus groves, now the principal product of Palestine, have been doubled. The export of oranges goes up by 1,000,000 cases a year, and will soon go up by 2,000,000 cases when the areas planted since 1932 reach their period of full bearing. And the farming population in the Plain of Esdraelon, which was declared in 1928 to be excessive by a Commission of Experts—one of the many which Palestine has endured with little more profit than expert witnesses are to the law courts—has doubled. Nevertheless, the difficulty of acquiring fresh land for settlement, and the irresistible temptation of the high wages in the towns to that part of Jewish labour which has not a settled home in the villages, have led to this intenser urbanisation of the Jewish immigrant population and to a replacement of Jewish labour in the plantations by Arab labour. Projects of reclamation and settlement, which are about to be realised, will give fresh stimulus to Jewish colonisation. The Huleh Marsh, an area of nearly 50,000 Dunams in N. Galilee, which has been hitherto a malarial swamp and the object of a Turkish pre-War concession that, like most of the kind, was rather an opportunity for bargaining than for constructive work, has at last been disposed of by the Syrian holders to a Jewish group. The work of reclamation is to be undertaken immediately. It will provide not only a fertile and pestless land for the Arabs who are now cultivating a part of it, but, it is believed, a place of permanent settlement for some two or three thousand Jewish smallholders. There are, too, plans of closer settlement in the south, the dry Negeb land which is to-day very sparsely populated. The exploration of new water resources is enabling the country to accommodate a rural population with a decent scale of life two or three times as great as that which eked out a poor existence prior to the British Occupation.

Apart from the growth of population, the figures of material progress during recent years are striking from many aspects. Looking first at Government finance, the customs revenue, which in 1931 had reached what seemed to be the very high figure of £1,000,000, is now approaching an annual return of £3,000,000. The value of imports, which was then some £7,000,000, is now estimated at £15,000,000. The Government surplus of revenue over expenditure goes bounding up. By the end of 1934 it exceeded £4,000,000, which represents well over a year's expenditure. A prudent Treasury is holding that surplus as a kind of reserve fund against a depression which is often prophesied but so far has not come. A still prudent but more hopeful Treasury

is this year planning to use £1,500,000 out of an expected revenue of £5,000,000 for capital expenditure, for expanding the railways and harbour, for new government buildings, and so forth. The figures of the Palestine currency show a corresponding progression. When first issued in 1929 the values of the notes and the coin in circulation were about £1,750,000 : they have risen to-day to over £4,000,000.

If we turn to private finance we may take as an index the figures of the importation of capital. In 1932, the year before the flood of prosperity, the investment of capital was estimated at £3,000,000, in 1933 it had grown to £7,000,000, in 1934 to £10,000,000. The difficulty to-day is to find an outlet for all the capital which is being poured into a country which offers British security without British income tax. But there has already been a notable establishment of industries large and small in the country. While most of the raw material has to be imported, Palestine now manufactures a remarkable variety of articles for its own needs. Two of the major industrial undertakings of the period before the deluge, the Palestine Electricity Corporation which generates hydro-electric power from the waters of the Jordan and the Yarmuk, and the Palestine Potash Company, which is extracting the inexhaustible chemical wealth from the Dead Sea, have recently made increases in their plant and works, and issued their flotations on the general money market. The largest factory which makes cement for buildings has also doubled its plant, and even so cannot keep pace with the demand. Factories for every form of production are springing up in Haifa, Tel Aviv and new industrial centres. Among them is a flourishing concern for the manufacture of artificial teeth—mainly, I may say, for export.

A calculation has been made of the distribution of Jewish investment in 1934. Building in the towns accounted for £4,500,000; in the villages for another £1,000,000. Plantations absorbed £1,600,000 nearly evenly divided between old and new groves; mixed farming, some £250,000; industry and workshops, £1,000,000; transport, £500,000. The total investment, without reckoning the cost of land and of public works, was £8,750,000, and those excepted items certainly amounted to another £1,500,000. Besides the money invested, large sums remain on deposit in the banks, awaiting a tempting opportunity.

Palestine, with its harbour, the third largest in the Eastern Mediterranean, its railway connection linking Europe, Asia and Africa, its Imperial Air Routes both English and Dutch, which,

in a few years, will bring London and Jerusalem within a day's flight, its trans-desert motor-ways that revive the trade routes of the ancient world, is again one of the centres of commerce in the Orient. God, it is said, has made geography but once; and though the stagnating rule of the Turks contrived to take Palestine for three hundred and fifty years out of the world's highways, the combination of British administration with Jewish enterprise has brought her back to those highways in fifteen years.

Palestine has come into the city of London with a rush, and the City is now finding its way to Palestine. The recent issue of shares in London by the Palestine Electricity Corporation was immediately over-subscribed. Financial and other papers have devoted to the progress of Palestine special supplements, and the most striking mark of financial coming-of-age has been the grant of a loan of £500,000 by one of the big English banks to the Foundation Fund of the Zionist Organisation at a rate of interest of 4 per cent. That rate compares flatteringly with the rate of the Japanese Government loan at 6 per cent. and of the Austrian Government Loan at 8½ per cent. It compares the more flatteringly because the security for the service of the loan is the annual voluntary contribution—the honour and credit—of the Jewish people. There is no mortgage of real property and no pledging of any government revenue.

The most dramatic factor in this progress has been the coming of the German Jews. They cannot be called refugees because they feel that they are coming home, and the Palestine language speaks of them as an "Aliya" or homecoming. The number from Germany who have entered since the Hitler persecution started in March 1933 is about 20,000: it comes at the rate of nearly 1000 a month. In figures it is still far less than the Polish immigration, which has been the principal source of supply since the Mandate opened the country for the Jewish return, but the German proportion of the total immigration is now between one-third and one-quarter. It is, however, more important in its quality than in its quantity. In the first place, it includes an exceptional proportion of persons entering with capital, or, as they are optimistically called in the Palestine Immigration Regulations, persons of independent means. They must have a capital of at least £1000, and on the average they have £2000: they numbered over 3000 in each of the last two years. Beyond their money many of them bring experience, method and science, and they take the lead in founding fresh enterprises. Secondly, the German element includes a number of young men and women

who belong to the pioneer organisation, the Haluz, which is representative of the renascent Jewish people. Some thousands of them have prepared for manual work, for life on the soil or in the factory, by a year of training before they come. A thousand or more are undergoing their training in the villages and communal settlements of Palestine itself. Some hundreds of the younger boys and girls have been brought to the country to finish their school education and begin their practical training in a free atmosphere, and to be integrated more fully into the life of the settlement while they are young.

The pioneer element, which is not restricted to the Germans but is prominent in the whole immigration, provides the enthusiasm and ardour of Jewish Palestine. Manual pursuits are not restricted to the young. The Jewish answer to the *Gleichschaltung* of Hitler has been the *Berufs-Umschichtung*, or change of vocation. It is a heartening sight to see a little village of German smallholders, each occupying about one acre, partly with intensive market gardening and partly with a chicken farm, each with his neat house built to a pattern, and bearing on the gate a neat letter-box, in the expectation that some day the postman will deliver letters. It is the more heartening when one learns that each of the settlers is in middle age, and was previously engaged in a liberal profession or in commerce and is now finding another way of life.

The transportation of German science already means much for the country and will mean more. Of the displaced academic persons the Hebrew University, which on April 1st next will celebrate the tenth anniversary of its inauguration by Lord Balfour, has been able to absorb fifteen: a chemical research institute directed by Dr. Weizmann has absorbed nine, who are engaged in research for the increase of the production of the country; the Haifa Technical Institute, which trains engineers, foremen and skilled tradesmen, has taken three; the Agricultural Experimental Station of the Jewish Agency has taken three. But the importation of science is not limited to academic persons. Over three hundred German doctors have been registered in Palestine, though it is not to be presumed that all of those who register can practise medicine; and some two hundred lawyers are aspiring to pass the examination of advocates, though most of them, it may be apprehended or hoped, will not be able to carry on their profession. But they mean the coming of new intellectual standards. Besides the doctors and lawyers, Palestine is accommodating a large number of German intellectual and

professional men. It finds room, for example, for many musicians; the Conservatoire of Music in Jerusalem, started two years ago, has on its staff eleven German teachers. It has attracted one of the principal modern architects, Erich Mendelssohn, and a crowd of less distinguished men.

The four essential factors in the development of the Jewish National Home during the last two years may be summed up as being the external security and the internal order which the British Administration maintains, and the enthusiasm, the science and the capital which are being poured into Palestine.

I have dealt so far with Jewish development, but it would be a mistake to think that the development and progress are restricted to the Jewish population. The wave of prosperity brings an obvious and growing benefit to the Arab population. A few by the sale of part of their land, and many by the sale of the produce of their land and by the work of their hands, are gaining riches of which they cannot have dreamed a few years ago. Sir Herbert Samuel, on his return from his visit to Palestine last spring, stated that some four million pounds were deposited by Arabs in the banks. Transport is revolutionised throughout the land. The motor-car, or rather the motor-bus supplants the donkey and the human leg; the motor lorry supplants the camel. The standard of wages and the standard of life are mounting. In almost every village in the coastal plain you may see new houses built or building, and around many villages new fruit orchards being planted. The progress is naturally more marked in the plains than in the hills; round Jaffa and Haifa, for example, more than round Hebron and Nablus. The proximity to Jewish settlement immediately brings prosperity to the Arab. At the same time, a growing number of Arabs from the hills are finding employment in Jewish settlements in the plains. And the demand for labour has brought to the Land of Promise some thousands of half-settled Arabs of the Syrian Hauran, who may later become a minor social problem.

The prosperity of its finances has enabled the Government in these years to expand its social services. Health conditions and activities like infant welfare have been steadily improved. The budget for education has been substantially increased; and it is one of the happy factors in levelling up the standard of the people that the Arab recognises the value of education. Besides a new Arab agricultural school, built with the endowment of a Baghdad Jew, but maintained in part from the Budget, the Government has started a programme of technical education and is building a

school of crafts at Haifa. It has, further, been able to expand the agricultural services, and the High Commissioner is concerned to multiply experimental stations and demonstration plots in different parts of the country. In its affluence, too, the Government has been able to reduce rural taxation, and has, finally, got rid of the tithe which, although the burden had been mitigated since the Occupation, was still a heavy charge on the small cultivator. To-day indirect taxation, and particularly the customs duties, of which the greatest part is paid by the Jewish inhabitants, accounts for more than two-thirds of the tax revenue.

The Government is seeking also to help the financial position of the fellahin by the encouragement of village cooperative societies. The whole of Jewish economic life is organised on a cooperative basis, but the movement did not exist amongst the Arabs until a few years ago. It is now fostered and shows every sign of meeting with popular approval. The aim is to relieve the Arab of the burden of usurious loans, made for the most part by Arab moneylenders, which is the undoing of the cultivator. An auspicious beginning of Arab cooperation in urban callings has been made with the Jaffa Boatmen's Society, which is said to have made a profit last year of over £30,000. The Government has been contemplating for some time the foundation of an agricultural bank, but the efforts have been complicated by the legal restriction on the transfer of land introduced by Government for the protection of cultivators, which hampers foreclosure of a mortgage. It is hoped, however, that the difficulties will be overcome without sacrificing the social aim of assuring the tenure to the smallholder.

It is inevitable that the sensational Jewish progress in the country meets with the violent opposition of the Arab political leaders. They see it as a flood advancing over the country and sweeping them away from their positions. They see it also, as the Prime Minister put it in 1922, as "the coming of the doom" and the extinction of their authority over the common people. They are no more reconciled than they were fifteen years ago to the policy of the Mandate, and they feel themselves more helpless to withstand it. There were demonstrations of protest in the autumn and winter of 1933 which led to clashes with the police in the principal towns. The firm authority of the High Commissioner and the constant alertness of the Palestine police—a vastly improved force—have averted any demonstrations and outbreaks since that time, and public security is better assured to-day than it has been at any time since the riots of 1929. There

is perhaps both outside and inside Palestine an insufficient recognition of that primary service of the Government in maintaining public security. Nevertheless, there are murmurings and movements. The Mufti of Jerusalem, the leader both of the Moslem community and of Arab nationalism in the country, has adjured Arabs to sell no land to the Jews, and issued to that effect a Fatwa, a form of Moslem Bull. But the sale of land cannot be conjured away by book, bell and candle. Not that it reaches any considerable proportions. The area transferred from Arab to Jewish hands during the last few years has been small, and the legislation of the Government designed for the protection of cultivators, which prevents the removal or eviction of tenants unless they are assured of a subsistence area in the region, is an effective check against dispossession when land is transferred. The economic gain to the Arabs from Jewish enterprise and the improvement of the conditions for the Arab workman in the country as in the towns are so manifest, the employment given by Jewish enterprise to Arabs, in spite of agitation for Jews employing Jewish labour, is so incontestable that it is no longer possible to rouse the Arab people with stories of impending ruin.

The contrast between the scale of life in Palestine and that in the neighbouring countries, Cyprus and Syria, and still more notably in the section of Mandated Palestine known as Transjordania, which is almost innocent of Jewish immigration and enterprise, has impressed itself on the imagination. So that there is, on the one side, a demand from those countries—" let the Jews come "—which evokes agitation, from the other side, of local or vicarious nationalists.

Arab political activity during the last year has been concentrated on internal questions. Municipal elections, under a new Local Government Ordinance, were held throughout the country, and inter-dynastic rather than inter-racial interests were the principal concern in these elections. There is every reason to hope that the new municipality of Jerusalem, in which Arabs and Jews sit in equal numbers and where a new Arab Mayor, keen, vigorous and trained by fifteen years' service in the British Administration, has taken the helm, will tackle the administration of the Holy City with efficiency and integrity.

The scheme for a Legislative Council still, indeed, rouses political interest. Some years ago the High Commissioner announced to the Permanent Mandates Commission that the Government proposed to introduce a partly representative Council after some experience had been gained of the working of

the elected Municipal Councils. He has repeated that declaration, and announced a few months ago that the Government would shortly undertake the study of the conditions in which a representative body should be set up. The maxim " to hurry slowly " would seem to be wisdom in this matter, both because the increased Jewish immigration is steadily putting the Jewish people in a position of lesser numerical inequality in relation to the Arabs, and because the economic development tends all the time to bring nearer together the mass, if not the leaders, of the two peoples. The Jews, it is said, want Numbers before Deuteronomy; and it would be to the good if they were not too distant from the Arabs in representation on the legislature. But " a Legislative Council in our time " is a practical programme.

The picture I have drawn so far may seem to be somewhat rosy, and I would now touch on a few of the more immediate problems and misgivings. Prosperity has its troubles no less than adversity, and the much-advertised prosperity of Palestine has brought certain unhealthy consequences. In the first place, there is fantastic speculation in land values, conducted mainly, but not entirely, by Jews at the expense of Jews. If it is more spectacular in the towns, where land has been known to change hands three or four times in a month and each time to advance in price 100 per cent., it is more mischievous in relation to agricultural land. The present phase has been called the period of the building plot. There are examples of orange groves planted by the main road being pulled up and the land sold as sites for houses and factories. Men beat their ploughshares into girders and their pruning-hooks into piston-rods. Brokers force up the price of small areas offered by Arab owners to blatantly uneconomic heights, and tend thereby to raise the price of agricultural land in the region generally; for it would be a disgrace for any Arab to sell his land at a lower price than his neighbour has obtained. It is not easy to find effective means of combating the evil. The suggestion has been made that the Government might resume control of all transactions of land, such as it took in the original legislation of 1920, but abandoned in the face of protest in less than a year, and only permit transfers of large areas to responsible colonising bodies. The suggestion has been made also of legislation for the control of urban rents, which has been tried in the past with some effect in Palestine. Some combination of government action with the moral influence of public opinion is called for.

There is, too, a one-sided development of one form of agriculture—citrus plantation. Vineyards and almond groves, as well as the corn-fields in the Plain of Sharon, have been abandoned for the planting of orange and grape-fruit. So far it has been possible to find new markets each year for the million additional cases of fruit to be exported. But that process, it is apprehended, cannot be continued indefinitely, particularly if the artificially enhanced price of land for oranges and the refusal of Imperial preference make it difficult to reduce the selling price of the fruit. It is feared that there may be a slump with Palestine oranges as there was with Brazilian coffee; and the export trade of the country at present depends to an unhealthy degree on this single item of fruit. A break in land prices, a slowing down of orange plantation, though they might involve individuals in ruin, might not, however, be generally disastrous. They would help to bring things back to a more normal and rational economic level.

Then the vast discrepancy between imports and exports, though it is an inevitable circumstance in a country developing as rapidly in population and enterprise as Palestine, cannot continue indefinitely. In the last two or three years the imports have more than doubled : the exports have remained stationary. The imports, of course, are swollen by the abnormal bringing in of building materials and machinery, and also of food-stuffs for the growing urban population. It may be expected that the young industries, heavy and light, which are now established in Palestine will begin to show an export trade in future years, and the excess of imports of food-stuffs will be to some extent counteracted by the growing productivity in such things as eggs, dairy produce and vegetables for which Palestine offers to-day an ever-expanding market.

On the Jewish side, too, there is an urgent call for the extension of agricultural settlement to keep pace with the urban and industrial development. The Jewish Agency is alive to that need, and is making plans, which will be helped by its new financial stability, for extending the settlement of smallholders both in the north and in the south. Broadly, the principal Jewish need is for a growth of support for public bodies which can plan with a long view. In recent years the growth has been overmuch, perhaps, through private enterprise, through corporations and individuals seeking individual profit, rather than through public organisations seeking national purposes and the national regeneration. Private enterprise, of course, must have its place in Palestine, but it is the essence of the building-up of the National Home that it must

pursue ideal aims all the time. Zionism means not simply bringing back the Jews to Palestine, establishing them in agriculture and industry, but the promotion of a better social order and the foundation of conditions of life, both social and international, which will assure peace within and peace without. Those aims can be furthered best by public bodies concerned to realise the ideal.

The most serious offset against the material development and prosperity of the last two years is the apparent submerging of the ideal aims in individual profit-making among certain sections of society. It would be false, however, to conclude that there has not been, during these years, a development of intellectual and spiritual life in Palestine. The manner in which Hebrew is rooted in the life of the people and is acquired by the new-comers from all parts of the world, the development of the school system so as to keep pace with the influx of the youthful population, the growth of the university and of scientific research institutes, the production of Hebrew literature in ever-greater volume, and its distribution to all parts of the Jewish world, the expansion and consolidation of the socialist settlements—in which the group share everything in common—and last, perhaps most important of all, the stirring of spiritual ideas which the German crisis has already engendered, these are signs that the idealistic strain is still strong.

There remains, of course, the constant and primary problem of bringing about understanding between the two peoples of Palestine, I might rather say understanding between the three peoples of Palestine, the Jews, the Arabs, and the English, because the progress of Palestine for many years to come depends on that triple partnership. The relations as between the English and the Jews, on the one hand, and the English and the Arabs on the other, are, it seems to me, better than they were two years ago. I should say that with more confidence of the English-Jewish relations. The change is due primarily to the great personal influence of the High Commissioner. By constant contact with every section of the people, by his tireless thought for the well-being of the common man, whether Arab or Jew, and by his transparent love for the country, he has established confidence in the Government, certainly on the part of the Jewish leaders and the Jewish mass, and if not on the part of the Arab leaders, then at least of a part of the Arab population. The responsible Jews in Palestine increasingly realise that they can succeed in their ideal only in cooperation with the English. The English, I think, are

realising more and more the place of the Jew in the revival of the whole of the Near East.

The conditions of understanding between Jew and English in Palestine cannot be made easy. The Jews are a new element in the record of British administration, a people who from the beginning demand at once autonomy and protection, and who regard themselves as the equals of the ruling class. The Jews and the English are as two chosen peoples, each feeling that they have a mission, each with their particular outlook, and not immediately comprehending the ideals of the other. Two thousand years of contrasted experience divide them. The one people has been struggling to preserve its religious and national life in the face of unparalleled repression and persecution; the other has advanced steadily from primitive conditions to greatness and mastery. The emotions of the Jewish people have been stirred for generations, and the Jews are prone to emotional expression; the English have practised control and self-restraint for generations. The Jews in their ardour are too regardless of facts; the English in their practical view a little contemptuous of ideas. As was said some years ago by an outstanding Jewish leader in Palestine, whose life was cruelly cut off, "the Englishman has a political and administrative tradition centuries old, proceeds slowly, looks ahead and preserves his balance. The Jew has no such political or administrative tradition, is compelled by the situation in the Diaspora and the development in Palestine to hasten every activity beyond its limits, without the possibility of calculating the results of the policy." Yet, with all these psychological differences there is growing understanding and a greater desire to cooperate.

As between Jews and Arabs, understanding and cooperation must be of slower growth. There is no political or social formula, no magic word which can bring about rapidly any cooperation. Peace can only be the prize of wise and generous conduct over a long period of years. Yet here, too, I think that there is progress, and at least the peoples seem to have got back to the measure of understanding which was reached before the sad affair of 1929. Arab-Jewish understanding must be built up from the bottom and not from the top. There is little hope of conciliating the political Nationalist leaders. There is more hope of establishing a sense of common interest and common social aims between the workmen and the peasants of the two communities. Good-will may be engendered rather by daily working together and by daily converse than by organised meetings. The Jewish children in the

higher classes of the schools learn Arabic. To a smaller extent Arabs learn Hebrew, which is akin to their own language. The young Jewish generation, reared in Palestine, will be able to talk more generally with the Arabs and will be more like the Arabs than are the immigrants coming from Central Europe, and thereby more likeable.

The Jewish Labour Organisation, which comprises nearly 50,000 members and represents about half the total Jewish population, holds faithfully to the idea of building up better relations with the Arab. It is a good sign that during this winter it has organised evening classes amongst its members for the study of Arab civilisation and tradition, and that those classes are widely attended. It fully recognises the need of the Jews to speak Arabic and to know something of Arab culture. It is not yet prepared to welcome Arab cooperation—in a literal sense—in all Jewish enterprise, because of the insistent call for making room for as many as possible of the Jews in this time of terrible distress. But willy-nilly the Arab is taking a bigger part in Jewish enterprise through this period of prosperity; he is raising his standard of life and getting nearer to the conditions of Jewish labour. A number of the workmen are realising the benefits of association, and are either joining the Jewish Labour Organisation or receiving guidance from the Jewish labour leaders in forming their own Unions. Politics tend, and must tend for a period, to keep the peoples apart; economic and social conditions are tending to bring them together. And above all, the foundation of Jewish life in Palestine is much stronger to-day than it was five years ago. The trend is to-day rather for finding points of approach than points of difference. The Revisionists on the Jewish side, demanding vociferously a forceful policy of building up a Jewish State, and Arab extremists on the other side, demanding as vociferously the stoppage of all Jewish immigration and the prohibition of the sale of land to Jews, do their best to embroil the communities, but the tide appears to be running against them.

Palestine to-day stands out in a world of depression and disillusion as a land of fulfilment as well as a land of promise; but it is still a country of urgent problems. Yet it is difficult to be in that land for a few months, to live in that atmosphere of enthusiasm and enterprise, of science and faith, without being moved to hopes, without looking to the bright vision, without believing that those who love Jerusalem will prosper, and that the dream of two thousand years may be realised, or at least reach the threshold of fulfilment, in our own day.

*Summary of Discussion.*

THE CHAIRMAN (SIR ANDREW MCFADYEAN) asked Professor Bentwich if he would say something further on the place which Germans who had recently arrived in Palestine were taking in the country. To what extent were they presenting a problem as a section of people of considerable energy and importance who were looking for work in a country where it was difficult for them to feel at home and to become at one with the large existing Jewish population?

LORD SNELL did not think that the fact that the political Arabs did not agree with what was being done in Palestine to-day should be taken too tragically. He doubted whether anything could have been done by the British Government or by the Jewish leaders which would have satisfied the Arab political leaders. They protested because they were fundamentally opposed to our policy. The Jews certainly had not impoverished the Arabs but had helped them to acquire higher standards, and the Arabs were better for contact with the Jewish civilisation. The Jew with his wider experience of the world, and with his science and modern civilisation, had a special responsibility to try to understand the prejudices of the Arab and to cooperate with him. He looked forward to that movement beginning in the villages rather than in Jerusalem, or Haifa, or Jaffa, or Tel Aviv. It seemed that the experience of the Southern States of America with their inter-racial committees, which were represented to some extent in South Africa, offered a possibility of people living in and near-by the Jewish colonies doing things which affected the life of both peoples, in connection, for example, with clean water, better streets and houses, so that there might be built up a reserve of good-will between the two peoples. He thought that that process was going on at a greater rate than was imagined.

With regard to Transjordania, he thought that in proportion as Palestine became prosperous it would be difficult to prevent the infiltration of Jews into Transjordania, and so on.

In reference to the Legislative Council, while as the Mandatory Power we should always be willing to extend to Palestine principles of self-government, this being inherent in our whole Empire development, it might intensify the troubles in Palestine if the Legislative Council were granted now, and he thought it would be wiser if, for the next few years, they did not try to promote the proposed Legislative Council too rapidly.

SIR PHILIP HARTOG said that some years ago he was in favour of a Legislative Council for Palestine. He had, however, seen something in India of the action of legislative bodies when no responsibility attached to their resolutions, and he would view with apprehension the establishment of a Legislative Council in Palestine at the present time.

He would like to ask Professor Bentwich one question with regard to the immigrants from the East. He had been told by a gentleman

who had returned recently from Palestine that it was necessary to remember that the colonies of workers in Palestine were literate and not illiterate colonies and that there was a great demand for English books, which was not being supplied. He was the last person to want to impose a purely British culture on Palestine, but he thought it was of major importance that the inhabitants of Palestine should have a real understanding of British traditions. He was surprised and shocked to find that many educated Jews in Palestine, who came from other countries, were convinced that the British administrator wished to make trouble between Arab and Jew because they thought that in some way his own problems would thereby be simplified. It was difficult to persuade them that there could be no worse mark against a British official than to have any kind of trouble in the area he administered. He would like to ask if Professor Bentwich did not think it would be a good idea to organise a supply of reasonably good books in order to satisfy the intellectual hankerings of the colonists in the villages.

Miss Eleanor Rathbone said that what interested her most in Palestine were the agricultural colonies, especially those on a primitive Christian communist basis with a completely collective life. Did Professor Bentwich think that those colonies were flourishing and would endure? One which she saw near the Sea of Galilee had been going for thirty years, but she felt that it was difficult for strangers to form an accurate opinion about them.

With regard to Sir Philip Hartog's remarks about the lack of knowledge of ideas of British culture she thought it was a prevalent tendency in all countries with which Great Britain was connected, deliberately or unconsciously to exclude British cultural propaganda. She had heard complaints of this tendency from officials as well as non-officials in Egypt. Nearly every European country was spending more money, time and thought on spreading its culture and civilisation than was Great Britain. She was told that that had always been so as far as France was concerned, but that now Germany and Italy were coming more and more into the field.

Questions: What was Professor Bentwich's view as to the possibility of a common educational system in Palestine?

What was the effect of Palestine's progress on the neighbouring countries, 'Iraq and Syria as well as Transjordania?

Had the gravity of the problem said to have been caused by the situation of the displaced Arabs abated, and what had been done for them?

Was there any intention to float the promised loan of two million pounds which would be celebrating the fourth anniversary of its sanction by the House of Commons?

Professor Bentwich, in reply, said that the number of immigrants

into Palestine from Germany during the last two years was 20,000, so that the German element was still a very small proportion of the whole. Before the recent immigration there were only 3500 German Jews; and of the 20,000 who had recently entered, some 3000 or 4000 were Polish Jews who had been living in Germany.

His impression was that those Germans were being integrated fully and were an element of great value. He had heard talk of the " Bei uns " attitude—" we do these things much better at home "—but had himself seen very little of it. That might be because he had seen chiefly the younger German settlers in the agricultural settlements rather than those in the towns. There was a certain element among the Germans in the towns who continued their old ways and talked German, but there was a growing element of younger people who came to do manual work on the land and in the factories, and also a large number in the professions and in commerce, who were integrating themselves completely in the life of Palestine; and it seemed certain that the influence of the 300,000 other Jews in Palestine would prevail. The German spirit of order, science and method which these immigrants brought with them would, on the other hand, be of great value in developing the whole life of the Jewish people in Palestine.

He had a very happy impression of the colonies in the Plain of Esdraelon, about which Miss Rathbone had asked him. It was these colonies that the Commission of Experts some years ago had said were already over-populated and could not be an economic success. Nevertheless, in the last two and a half years the population there had doubled; and the people, who until recently lived in barracks, were now building houses for themselves. Their process of development was that first they built a model babies' home, while the adults lived in rough barracks and tents. They then proceeded to something like a model school for the children, then to stalls for the cattle, and finally, when all these wants had been satisfied, they started building houses for themselves. The manner in which they had made room for the German immigrants coming to them was beyond all praise. They had been greatly helped by the Central British Fund for the relief of German Jewry. What was equally remarkable was the way in which the young Germans, brought up in very different conditions of life, were making themselves happy in an atmosphere where the way of life was still very rough. As to whether the communal way of life of those colonies would continue, all he could say was that it had endured and seemed to be gaining strength.

He agreed that excessive haste was not advisable with regard to the Legislative Council. There was advantage in getting some years' experience of the elected municipal councils before having a Legislative Council. But, on the other hand, they ought to envisage the creation of the Legislative Council in the near future. It was part of the British mission and mandate to encourage self-governing institutions, and if there was a place of meeting where Arabs and Jews could get together to discuss problems of government and to criticise the Administration it should make for cooperation. Such little experience

as there had been in Palestine of popular representation had been favourable. In the early days when Sir Herbert Samuel was High Commissioner there had been a nominated Advisory Council with ten representatives of the people and ten Government members. The High Commissioner did not nominate ten extremist representatives of the people, but, on the other hand, he did not nominate the ten tamest members; and the experience of those gatherings was that those who started by being fiercest became tamer.

He did not think that a common educational system would improve the relations of Jews and Arabs in Palestine. It was one of the necessary conditions in Palestine that the Arabs and the Jews should develop their own cultures side by side and should have their own schools and educational systems. It was necessary for the Jewish culture and civilisation that the Jews should have schools in which their own language was taught, certainly so far as elementary education was concerned and probably also with respect to secondary school education. The same was true of the Arabs. In higher education the Jews and Arabs might work side by side. It would be a good thing if the Arabs had their own University in which they could follow their higher learning in their language, and a few Jews would go there, just as a few Arabs now went to the Hebrew University in Jerusalem.

Sir Philip Hartog had touched on the question of spreading English culture. As to his specific question whether it would be a good thing to try and get people to make contributions of English books, he had just been drafting a letter to the Press to that effect. He believed there was a great desire in Palestine, both among Arabs and Jews, to know about England and English literature; but the influence of English institutions was greater and stronger because we left the people of the country to work out their own intellectual salvation and did not try to spread cultural propaganda. The French in Syria had been very active in inculcating their culture in the people, but it had not made for great contentment amongst them.

He could not say anything about the effect of Palestine on the Arabs of 'Iraq as he had not been there. But he had read in the papers that there was strong nationalist feeling there and dislike of Jewish national activity. There had not been any infiltration from Palestine into 'Iraq. There had been recently some talk of Jewish colonisation with regard to Syria. Only a few days ago the French representative on the Permanent Mandates Commission had to answer complaints that the people of Syria were being sacrificed to the prosperity of Palestine. It was the considered view of the representative that the people of Syria had gained by the enterprise and development in Palestine, and there was a feeling in Syria and Transjordania that Jewish enterprise and Jewish capital could be of benefit to these countries. Some of the people were anxious that they should have their share of the results of that enterprise; and that feeling might lead to a gradual infiltration from Palestine into the surrounding countries. What one could look forward to eventually was a large middle eastern

complex of countries, in which Arabs and Jews would be building up a common Semitic civilisation, each contributing their part.

As to the displaced Arabs, only about 500 were found to have been landless. There had been a scheme for their settlement on land acquired by the Government, but he could not say whether that had yet been put into operation. That, however, was the way the problem was to be solved. There was not likely to be a repetition of it, for the Government had introduced legislation to provide for the protection of cultivators; and when land was sold on which there were Arab tenants, sufficient land in the vicinity would be reserved in order to maintain those Arabs in agriculture.

With regard to the loan, the Government announced that it was going to float a fresh loan of £2,000,000 and legislation was passed through the British Parliament to enable that to take place. He had no knowledge beyond that.

# THE PROGRESS OF CANADA'S RECOVERY[1]

By W. A. Mackintosh

The progress of recovery in Canada has not been as great as many people would like, though it has been definite and perceptible. But to explain the patient's convalescence one ought to say something about the malady from which he was suffering; something about the great depression as it affected Canada and incidentally as it affected other countries who were of the same economic structure as Canada.

The cardinal and simple fact about the great depression is the reduction in the national incomes which has been associated with it, a reduction which has been unequally distributed among localities and among different groups. Canada was one of the nations which suffered the sharpest reduction in her national income, for Canada is immature economically. She has an economic organisation in which resources are less highly developed than in some other countries, and where, consequently, both labour and capital were normally at a premium and resources and land at a discount. And though, on balance, she has not been a heavy borrower from abroad since the War, still she was a country owing large sums which could only be paid through her exports. Further, she was an exporter of food products, raw materials and industrial materials of various kinds and in various stages of

## ERRATA

p. 389, footnote, line 2, " Professor of Economics " should be deleted.
p. 392, last para., line 1, for " 1920 " read " 1929 ".
p. 397, line 5, for " sixty-five " read " sixty-eight ".
p. 400, para. 2, for second sentence read " The most economical thing for Canada to do with her wheat, if possible, was not to sell in any one market but to sell small quantities in many markets, because the special quality of Canadian wheat was its baking strength, and it was more economically used if blended with other wheats."
p. 400, para. 2, last line, for " from " read " in ".

resources. In consequence, Canada was a country in which the fixed charges, the capital charges, were relatively high. Finally, one can say that Canada was a great international trader. She had become fifth among the world's international traders, and her fate was thus bound up with the fate of the rest of the world.

A country in this situation is rapidly infected by a world depression. It comes either through a decline in the prices of the exports, or through a contraction or closing of the world's capital markets, or it may come through both. In the case of a country like Australia perhaps the more important factor was a tightening of the world capital markets in 1929. Canada, not having been a large foreign borrower in the post-War period, was most affected by the decline in the prices of her exports. We were affected by tight money conditions, but no more so than other countries. But we were affected more than other countries by the decline in the prices of raw materials and food products. At a later stage we were affected by the declining prices of imports, as a result of which the sheltered manufacturing industries began to feel the pressure of the world collapse.

The above suggests the way in which the depression is communicated to the sort of country which Canada is, but we had a number of particular points of weakness and strength in our structure which led to particular effects when the depression came upon us. In the first place, our largest manufacturing industry was the newsprint industry. It had behind it spruce resources and natural reservoirs and waterfalls which made it a sort of copy-book example for students of economic geography, and the United States market was at its door. The industry was soundly located, but it was recklessly and deliberately over-developed. The natural history of the industry was that it should be transferred gradually from the United States to Canada as the United States resources became more expensive and the natural resources of the Laurentian Plateau became available. But instead of allowing that transference to go on naturally, the pace of the transfer was forced by all sorts of influences, particularly by the granting of cutting leases on condition that mills of a certain capacity should be erected, by the granting of power sites on condition that a certain rate of production should be kept up, and by the prohibition of the export of pulp wood. The result was a forced rate of transfer of the industry from the United States to Canada and a striking example of amiable co-operation in folly by governments, industrialists, and financiers. When the depression came in 1929 the paper industry was already in a serious condition,

badly over-capitalised and over-expanded, and unable to sell its newsprint at remunerative prices in the United States, which took 90 per cent. of the output.

In the prairie West, our largest export, wheat, is produced (newsprint was our second largest export). During the War wheat-farming had developed very rapidly, and since the War this development had continued, on the whole soundly. The pace of the expansion was greatly increased, however, in the post-War period by the substitution of tractors for horses. The ordinary economic difference between the two is that the horse derives his power from the farm, the tractor from the oil well. Thus the widespread introduction of the tractor released the acreage previously used to grow horse-feed for the production of saleable grain. This unfortunately coincided with two adverse developments, the one a tendency on the part of countries in Europe to develop their own wheat-growing capacity under the stimulus of tariffs, quotas, etc., and the second the unfortunate coincidence of very large world crops in the years 1928 and 1929. Consequently, by 1929 our wheat industry was in a vulnerable position, through no particular fault of its own, but in the main because the European markets were closing against our wheat. That was the second weakness in our position.

The third one was of another kind. There is probably no country in the world, with the exception of the United States of America and Russia, that is so dependent as is Canada on railways. If, in Canada, one pulled up the railways the whole structure of the population and industry of the country would come up with them. There is no location in those regions other than a location on a railway line. In what is called a " town " on the prairies, the buildings put up before a railway has been constructed are built on skids, so that when the railway is located the whole town may be moved to it by tractor. Because we so depend on our railways we were perhaps too optimistic in building them, and thirty years ago we embarked on a project which has now been shown to be unwise. In 1903, in addition to the Canadian Pacific Railway, two further transcontinental railways were undertaken, not as a matter of competition but as a matter of decision in which the Dominion Government had the deciding voice. Four lines were, in fact, developed in addition to the Canadian Pacific Railway—the Canadian Northern, the Grand Trunk, the Grand Trunk Pacific and the National Transcontinental. In extenuation of this position it must be pointed out that the whole railway problem of Canada was affected by the building of the Panama Canal.

Prior to the construction of the Canal, transcontinental rail rates were based on the alternative of water transportation around Cape Horn. Thus we have had since the War too much railway mileage for the amount of the population, though not too much for the territory which we have to cover.

These railway schemes came to a stop during the War. Now to reconstruct these railway lines into a single system required the expenditure of a large amount of capital. Just as we were in the midst of our railway construction when the War broke out, so we had not finished our reconstruction when the depression came upon us. This was our third weak position.

There was a fourth point where we were rather but not seriously weak. The provincial governments had greatly increased their expenditure, largely by reason of the rising standards of living of the people and the demand for better social services. They increased their expenditure in the decade of the nineteen-twenties by about 80 per cent., the greater part of the increase coming from the provinces of Ontario and Quebec, which are at present by far the soundest financially. In contrast with provincial finance, Dominion finance had been pretty sound. We had continuously reduced our debt from 1923 to 1930 and the administration had been on the whole thrifty, particularly under the late Mr. Robb, Minister of Finance. On the whole, therefore, I would say that Dominion finance was a point of strength and not a point of weakness.

A further element of strength lay in certain new and rapidly developing industries, particularly the mining industries in the gold areas and the base metal mining areas of Ontario, Quebec, Manitoba, and British Columbia. These industries are for the most part of post-War development. Generally I would add to this group the power-using industries which were rapidly being drawn to those areas where hydro-electric energy was plentiful and cheap.

Keeping these particular points of strength and weakness in mind, let us see briefly what did happen when the depression came upon Canada.

*Wheat.* The price of wheat in August 1920 was $1·60 a bushel on the Winnipeg Exchange. At the end of 1932 it was 42 cents, a decline of roughly 75 per cent. in the price of our chief export. As if that decline in price were not enough, we had from 1929 onwards years of drought varied with plagues of grasshoppers —I believe you call them locusts. There has not been since 1928

a greater than average wheat crop in Western Canada; and there are districts in which very little if any crop has been gathered. This means that in the region which in some respects is a key region, the total amount derived from the sale of crops dropped from $833,000,000 in 1928 to a sum of $274,000,000 in 1932, about 68 per cent. down. The average farmer in that area in the year 1932 harvested a crop of wheat of about 15 bushels to the acre. Of that he kept 1½ bushels for seed for the following year, after which he was due to pay 4½ bushels in taxes. Then, if he were an average farmer, he would have a mortgage on his farm and the interest on that and other debts required 7 bushels; so that when he had made all these payments he would have 2 bushels left for himself and his family, and these 2 bushels were worth 30 cents each. The western municipalities had financial difficulties. They levied the taxes required but could collect only 25 to 30 per cent. of them.

*Newsprint.* The price of newsprint fell by nearly 50 per cent. and the volume of production fell from 270 million tons to 125 million, or by 54 per cent. And so the output of our largest manufacturing industry was cut in two and its price was cut in two, which affected very large areas in British Columbia, Ontario and Quebec and, to a lesser extent, in the maritime provinces.

The decline in these two industries affected the railways, which depended particularly on the west-to-east wheat traffic and on the east-to-west traffic to the prairies, carrying the supplies for the wheat farmers. The gross revenues of the railways fell by 52 per cent. and their net revenues fell by 84 per cent. It was no wonder that the stock of the Canadian Pacific Railway declined on the markets. But the repercussions went further than that because the government was left with a Canadian National Railways' deficit of $66 million.

The same contraction ran through other fields. When exports are crippled, the construction of new buildings and of public works is stopped. The index of construction contracts fell from 180 in 1929 to 42 at the end of 1932. As a new country, we had a larger proportion of people employed on that sort of work than would be the case in an older country. Consequently, proportionately more people were thrown out of work. Our total industrial production fell by 46 per cent. So you had a degree of contraction which I think is unfamiliar to people in an older country with a different type of economic organisation.

What happened after we reached the low point of the depression? Up to 1932 governments and public bodies in Canada and other countries were thinking in short terms of the depression. They attempted to meet immediate problems and trusted that it would blow over. They started public works, and they initiated various methods of relief. Then the situation became very serious in 1932. It is not unfair to governments to say they dug themselves in and waited for the storm to blow over. Unemployment was so great that governments naturally decided to husband their resources. They gave up public works, and they got down to the direct distribution of relief.

Since February 1933 there has been a substantial recovery. The price of wheat, which went to 42 cents, is now up to 82 cents and the farmer has put in a good deal of energetic work in getting his costs down. The unfortunate thing with regard to wheat is that we have not yet had a very substantial crop. That is of some benefit from the point of view of the problem of reducing the surplus of wheat, but there will not be a really full upward movement of Canadian business until there is a good wheat crop. A good crop of wheat sold at a price between 80 cents and $1 would have a tremendous effect on Canadian business; it might even turn the railways from a losing into a paying proposition.

In newsprint the price has not improved, but the volume has increased almost to the level of 1929.

The railways have shown a definite improvement. The Canadian National Railway has improved about 20 per cent. in gross revenues and the net revenue is up by about $20 million, so that they will probably draw on the Government for $50 million instead of $66 million as they did a year or so ago. The improvement in the Canadian Pacific Railway is slightly less, but its territory has been less favoured climatically than the territory of the Canadian National Railway. The problem of our railways is not one of getting costs down but a problem of expanding income. You can take all the economies that anyone has worked out as obtainable from railway amalgamation and you will not make the railways pay without a greatly increased volume of business.

Industrial production has come up from roughly 72 to 97. Construction has increased scarcely at all, only from 42 to 49. The low rate of interest has not acted so favourably in our economic structure as it has in Great Britain. But if the improvement continues we would expect in 1935 that building and construction will pick up. The nearest we have to an unemployment per-

centage is the percentage of the trade unionists unemployed. At the worst of the depression, this was 26 per cent. and now it is only 16 per cent.

In brief I should say that we have gone from 35 to 40 per cent. of the distance back to 1929. Bearing this in mind and bearing in mind that 1929 was a much dizzier height in Canada than in Great Britain, we may reach relative prosperity before we are back at the level of 1929.

How has this been brought about? Only to a limited extent by definite programmes of recovery; in large part as an accompaniment of general world recovery in which we were bound to share. There have been other factors. A very important one is the Ottawa Trade Agreements in 1932, from which very substantial benefits have resulted. Perhaps the most substantial and direct benefits can be seen in the lumber industry. Our export trade in lumber to the United States was taken away from us in 1930 by the Smoot-Hawley tariff; and upon that followed the depression, so that the possibility of getting into the British market with its building boom was extremely important. The limitation of British imports of Baltic timber coupled with the building boom very greatly helped our lumber industry. I am not satisfied that that is permanent. If the United States opens her markets to our timber it would necessarily be drawn in that direction because it is more easily reached and the competition between Baltic and Canadian timber is no new story; it began during the Napoleonic war. The British market for Canadian lumber has never been very secure; but in the winter of 1933 three to four times as many men went into the woods to cut lumber as in the previous winter, and this was almost entirely due to the Ottawa Agreements.

There are other cases where a preferential market is very important in particular localities. Thus the bacon quota has a very definite influence. We can produce a large quantity of bacon and there is no reason why we should not take a permanent place in the bacon market, because it can be transported economically and produced economically. The difficulty is that our tastes are different and the farmer has to be taught to produce the kind of bacon required by the British market.

The advantage which the farmer gets on cattle is very slight and few Canadian cattle have moved into the British market. The preference which is given to our wheat is of very little advantage; simply because we produce much more than enough wheat to supply the British market, and must sell some of it elsewhere.

It is not very important whether we are meeting the competition of Argentine wheat in the Liverpool market or elsewhere. Meet it we must. The chief criticism that I would make is that Canada has not given a *quid pro quo*, or too small a one. If we had taken a larger measure of British manufactures we would have helped to build up a market in which we could have sold our agricultural produce. The Canadian imports of British goods are very much smaller than British imports of Canadian goods.

But when we speak of the effect of the Ottawa Agreements we must not lose sight of the fact that something else happened shortly after they were concluded. The Ottawa Agreements would have had comparatively little effect on Canada if it had not been that in 1933 the United States went off the gold standard and that the Canadian dollar followed the United States dollar down. We were under a great handicap, as all our competitors—Australia, New Zealand, the Argentine Republic—had a currency depreciated far below ours, and we suffered in competition with them in the British markets. When our dollar went down with the American dollar, we came near to parity with the British pound and with Australia, New Zealand and other competing countries. So this added an additional stimulus to the stimulus given by the Ottawa Agreements and it is not possible to distinguish between these two helpful circumstances. We were kept from depreciating our dollar earlier by reason of our heavy interest payments to be met in New York funds. Our debts were payable in New York but our export balances accrued in London. Other factors have also contributed to the general improvement of conditions. There was a drastic cutting down of costs and a great deal of compounding of debts. Weak business positions had been wiped out and capital charges had been scaled down. It is of great importance, again, that we had political stability. In spite of the severity of the depression the country's credit has been maintained. There are places here and there where there have been defaults, but nothing extraordinary. The banking system stood firm. Indeed, in view of the depth and seriousness of the depression the political and financial stability has been quite remarkable.

One of the alarming things that has come out of the depression is the palpable weakness of a federal system of government. Any number of problems have arisen in which the responsibility is divided between the provinces and the Dominion. All departments of social legislation, control of wages, hours of work, industrial disputes, trade practices, are under our constitution

the business of the provinces. Our constitution is contained in the British North America Act, and the clause in that Act which consigns "property and civil rights" to provincial control was written in 1867, when it meant control over a man's farm. In the sixty-five years which have elapsed since the Act was passed, a complete change has taken place, and when we speak of "property and civil rights" to-day the phrase includes things which cut right across provincial boundaries. If the province of Ontario wants to settle minimum wages it cannot do so because the competing province of Quebec does not want to do so. Thus you have two competing areas side by side, one of which may have a lower or a higher standard of living than the other. It is impossible to put matters like unemployment insurance, to which all three parties are committed, on a Dominion basis, though the Dominion may try to do so by bribing the provinces. But it would be much better if the Dominion government had power to do it. Maintenance of the constitution has been a cardinal principle, particularly in the province of Quebec; but, as a result of the experiences of the past five years, radical groups have joined with conservative groups in order to bring about a revision of the constitution which will enlarge the range of Dominion-wide legislation.

In the final analysis, however, we can recover our position as a prosperous country only through the recovery of international trade. There have been few illusions in Canada with regard to our domestic capacity. We have no movement towards isolation or self-sufficiency. We could not maintain our standard of living if it were not for our international trade, and for that reason you find, in both political parties, a movement towards the reduction of tariff barriers.

*Summary of Discussion.*

QUESTIONS: Was the increase in trade more likely to come as between Canada and the United States or as between Canada and Europe or Russia?

What was likely to be the movement of Canadian population during the next few years, in view of the fact that the population in both the United States and Europe would reach its maximum in the next twelve or fifteen years, and that Canada was planned for a larger population than she had at present? Did Canada want immigration and would she get it?

Was there reason to hope that Canada would have a bumper crop of wheat or had the soil received a more permanent injury from drought than could easily be overcome? In view of the trend of events in

China, would there be an increased or contracted market there? How had the banks fared in the depression? Had they been able to give a lot of aid to the agricultural community? Would Professor Mackintosh say something more about the proposal of the Canadian Government to take over at paper parity the entire stock of gold belonging to the note-issuing banks? Would Canada tend to look more to London for her financial requirements than to New York?

How far had the policy of President Roosevelt had a general effect on Canada, and to what extent was it likely that Canada might follow suit with a National Recovery Act?

MR. H. H. HEMMING said that, in regard to the question of immigration, he understood that Canada had planned her railways and Governmental organisation for a population of 30 million, of which she only had 10 million, and until the other 20 million were there, they would be carrying too heavy an overhead. The present policy of Canada was to discourage immigration, which he thought was wrong, but with a million unemployed it was difficult to have the courage to admit other people, although these other people did bring capital with them, and also increased the internal demand for commodities.

He wondered if wheat was quite such an easy problem. A bumper crop might result in an increase of the unsold balance which they were carrying over, and he understood that in spite of the drought in America, their carry-over was little less than that of the prairie farmers who started the wheat pool, and the Dominion Government had had to carry it on. In the past the pools had not been a success, partly because they had held out for too high prices, and partly because continental countries were determined not to be starved out in the event of another war, and were trying to grow their own wheat.

However, he did not want to give the impression that he thought of Canada as having a gloomy future. If he might make a small criticism of Professor Mackintosh's speech, he thought he had stressed too much the difficulties of the country and not sufficiently the recovery that had already occurred. Money was now cheaper than it had ever been. Government bond prices were extremely high and all other bonds seemed to be moving up. The Dominion Bureau of Statistics published an index figure every week. It was based on the 1926 level. At the beginning of 1934 it was 83 per cent., it was now 102½ per cent. It was therefore above the 1926 level, and 1926 had not been a bad year. This index figure was based on all sorts of things, not merely production.

The last thing he would ask Professor Mackintosh to speak about was Mr. Bennett's New Deal. As an old conservative he had been horrified to see Mr. Bennett drop the pilot in dropping private initiative.

PROFESSOR MACKINTOSH, in reply to the question whether, in the event of the recovery of international trade, Canada would deal mainly with the United States, with Great Britain or with other European countries, said that this was difficult to predict. Canada had two types

of export trade: one was primarily in raw materials and food products, for which the market was in Europe; the other was in partially and fully manufactured goods for which she had an extensive market scattered throughout many countries. If the European market became enlarged and opened its doors to Canada, there was no question that Canadian exports would return to Europe. France, for example, had completely excluded Canadian wheat exports. She was a large importer until 1928. The position was that Canada had to find somewhere to sell her wheat.

The point of optimum density of Canadian population would, he thought, not be nearly as great as the optimists thought because, though Canada was a large country in area, the part of the country which would be permanently settled with a fairly dense population was comparatively small; the large northern areas would develop only a very scattered population.

The question whether the prairie land could ever be restored to its former fertility on account of the injury sustained by the soil was rather a technical one. He doubted if the injury had been very great, except in a few localities. It was difficult to exaggerate the quality and utility of prairie soil, which was comparable to nothing outside Russia.

The Canadian banking system had hitherto been in the hands of a comparatively small number of chartered banks (nine or ten, with four more important than the rest) which were comparable to the British joint stock banks. They had a singularly creditable history of sound banking, so that during the depression there had been no bank failure and no serious suspicion was cast on any Canadian bank. The appointment of the Macmillan Commission was not occasioned by any difficulty in the Canadian commercial banking system, but because the relation of the banking system with the monetary system was imperfect. Before the War the system operated automatically so that when a bank kept itself in cash it kept the country on the gold standard, but after the War neither the banks nor the Government were responsible for the gold standard. Canada really went off the gold standard in 1928 although the Government did not admit it for some time. The reason for setting up a central bank was to establish a monetary authority and to maintain whatever monetary standard the country might decide to maintain.

The question of the taking over of the banks' gold was one of those problems which he thought one considered by supposing either of two alternatives. The Government would one day decide what was to be the price of gold in Canada and the price of gold would be what the Government decided it to be. It would be an arbitrary decision. It might be 35 dollars an ounce or something else. Was the profit from that decision to rest in the hands of the people who held the gold or was it to accrue to the whole nation which through its Government had made that decision? The decision of the Government was based on the contention that the profit ought to accrue to the whole nation and not

to the people who happened to own the gold. There was this counter-argument that certain holders of gold, viz. owners of gold mines, did obtain the profit and the Government had to answer the case for taking over the output of the gold mines at the old parity. They would probably say that they wanted to encourage the industry and that it had been an important industry in helping Canada to get out of the depression. He believed that the Government had made an arrangement by which all gold that had been acquired by the banks subsequent to a certain date would be valued at a higher value, or in so far as any of them had acquired gold abroad at an enhanced price they would be compensated. But otherwise they would be given a paper parity.

The next question was whether London would outrank New York as a Canadian capital market. In the first place, he considered that Canada would borrow less abroad and more at home; she had been borrowing less abroad since 1920. An advantage of New York was that, in the case of many industries, there was a better understanding there of the particular industry, which was very often related to the United States industry. But there was every disposition to borrow in London, if Canada had to borrow anywhere, so long as the London rates were good, and it was possible that some of the clauses of the Roosevelt Securities Act might turn more of the borrowing business towards London.

The production of wheat in Canada would probably not be increased. The most economical thing for Canada to do with her wheat, if possible, was not to sell in any one market but to sell small quantities in many markets, because the special quality of Canadian wheat was that it was rising strongly and was more economical if distributed with other wheats. The United States put a duty of 43 cents a bushel on Canadian wheat and then bought it because she wanted it to mix with her own weaker wheats. The China market wanted quite inexpensive wheat, and the big exports of Canadian wheat to China had only been in those years when there was a lot of cheap off-grade wheat. Since 1929 Australia had taken that market away from Canada. The most constructive movement with regard to Canadian wheat was that fostered by Dean Shaw of the Saskatchewan School of Agriculture; *i.e.* to build up in Western Canada a live-stock industry, based on the feeding of off-grade wheat, and to export only wheat of the very highest quality. It was thoroughly sound if Canada could get the market for live-stock from the United States.

The remaining question had to do with Mr. Bennett's New Deal. In the first place, Canadians had obviously watched with the keenest interest President Roosevelt's various programmes and there had been proposals from various parts of Canada that something of the same sort should be done in Canada. He thought that it had been realised in Canada that one of the important things about the United States was that they had throughout their history been in a position to make extraordinarily costly experiments with comparative impunity. Having said that, he would add that the problems of the United States are

similar to those of Canada. One part of Mr. Roosevelt's New Deal was an attempt to overcome the difficulties of a federal government, though he succeeded in confusing this with a theory of under-consumption and higher wages. He had since done something to get them untangled. But Mr. Roosevelt was personally most interested in an improvement in standards. That had been impossible in the United States because of the Federal structure, and because certain States, particularly in the South, would not adopt standard requirements. Mr. Roosevelt took advantage of a crisis in order to get, through the medium of codes, the acceptance of labour standards of one sort or another which he could not get by law except by amending the Constitution. The Constitution was not quite so difficult in Canada because she had no Bill of Rights; if the provinces could not do a thing the Dominion could. But she had some of the same difficulties of federalism. The orderly way in which these should be overcome was to proceed to an amendment of the Constitution, for which the time was ripe, and then through an orderly legislative programme to adopt those programmes which were generally accepted, unemployment insurance, minimum wages, etc. He thought Mr. Bennett was thoroughly sincere in his proposals, but that it was not unfair to say that he was hurrying things up a bit, not entirely overlooking the fact that there would be a General Election some time between April and September 1935.

# REVIEWS OF BOOKS

**Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g. "Areopagus, London: Send Book Twenty May Journal: Smith."**

**Books marked with an asterisk (*) are in the Library of the Institute.**

## GENERAL

1*. SURVEY OF INTERNATIONAL AFFAIRS, 1933. By Arnold J. Toynbee, assisted by V. M. Boulter. 1934. (Oxford University Press. 8vo. x + 636 pp. 24s.; to members of the Institute 14s.)

2*. DOCUMENTS ON INTERNATIONAL AFFAIRS, 1933. Edited by John W. Wheeler-Bennett, assisted by Stephen A. Heald. 1934. (Oxford University Press. 8vo. xiii + 536 pp. 25s.; to members of the Institute 16s.)

To those of us who look forward to the *Survey* as an annual joy, the volume for 1933 will be no disappointment. It maintains the high standard which Professor Toynbee has set himself and his coadjutors for now a full decade; the horizon is as wide and clear as ever, the literary touch as crisp and sure. Apart from the general soundness of its structure, the *Survey* owes no small measure of its success, as often before, to the wise abandonment of any attempt to cut up the current history of the world into twelve-monthly slices. Admirable examples of the exercise of this discretion are the chapters on Cuba and on the Philippines. In the former, Miss Katharine Duff tells the tale of Cuba from the year (1898) when that unrestful island was ceded by Spain, down to May 1934, when the United States signed a treaty which cancelled the famous Platt Amendment, renounced the right of intervention, and gave Cuba complete political freedom. The chapter on the Philippines, written by Miss A. D. Holt, covers a shorter period (1927–1934), but a period of intense importance in American colonial policy, for it carries us through the strange tangle of idealism and self-interest that has ended in the promise of independence to the Filipinos in ten years—a gift which some of them already apprehend they may live to regret if Japanese expansion should turn in their direction.

The main drama of 1933 is told in three Acts, if the term can be used when all three were being played simultaneously—the world economic depression, Germany under Hitler, and Japan's sabre-rattling in the Far East. Running through all three, like a Greek chorus, is the wailing chant of the decline and death of the Disarmament Conference. Mr. H. V. Hodson begins with a brilliant account of the monetary and industrial collapse. Naturally enough, it pivots largely on the American situation; for the Wall Street break in 1929,

as Mr. Hodson says, was to the United States what August 1914 was to Europe, and when Mr. Roosevelt took over his office in March 1933, "never had a new President been confronted with so momentous a crisis or so tremendous an opportunity." The widespread breakdown of the banking system, the threats of wholesale commercial insolvency, the huge unemployment (which the Labour Research Association of New York estimated at 16,774,000, a higher figure than Mr. Hodson's), and the catastrophic fall in the value of securities—these gave the new President his historic opportunity. If the remedies which he applied seemed at times to vacillate and contradict each other, they were the experiments of test and trial with which an honest man, having no special knowledge of his own and no great confidence in his expert advisers, sought to solve unprecedented problems. It is perfectly fair, however, to criticise the United States for having gone off the gold standard, not by reason of any flight from the dollar, but "because, in the judgment of the Administration, to maintain it might have interfered with their plans for raising American prices." It is also pertinent to insist that, when a gold bullion standard was again, though precariously, established, the dollar was undervalued, with, as a consequence, a drain of gold to the United States which "did no credit, in the eyes of the general public, either to the gold standard itself or to those in America who had adopted it on such arbitrary terms." And there is much truth in the negative conclusion that the experience of 1933 did not indicate how the way to economic recovery is to be found "without a stabilisation of currencies and a release of international trade from its fetters." For the failure of the World Economic Conference, however, Mr. Hodson is not disposed to lay all the blame at the door of Mr. Roosevelt, despite the President's bombshell of July 3rd, 1933. He is undoubtedly right. The Conference was doomed from the outset. Only two countries came to it with a fixed policy, as has been pointed out by a writer in *The Times*: France with a policy of deflation, and the United States with a policy of inflation; and the oil and the water refused to mix. The walls of economic nationalism have to be breached before any conference can hope to articulate world currencies or assuage tariff wars.

The second Act takes us to Nazi Germany and a telling description of the reaction of the civilisations of the world to its excesses. In the disgust which was expressed by our own people in particular, Professor Toynbee hints that there was a touch of hypocrisy, in view of our having done so little to mitigate the policy of humiliation on which Clemenceau and Poincaré had insisted. This is true: and yet there was a genuine feeling of dismay among thoughtful people, both in England and in France, that one of the most highly cultured nations of the West should have frankly reverted to methods of barbarism. Nor is there any assurance that the lapse is partial or transient. In a luminous passage Professor Toynbee sees in it the victory of the neo-Paganism which has been, ever since the days of Machiavelli, in secret revolt against official Christianity. For four hundred years we peoples of the West have given "*raison d'état* the precedence in practice over the commandments of Christianity whenever the two competed in real life" and yet have "managed to preserve the decencies." Now, however, the pagan religion of Tribalism has come out naked and unashamed. Its power lies in its control of propaganda and education; and its strength rests on the new spiritual force which, crude and primitive though we may think it, fills the void in men's minds created

by the growing scepticism of our age. It is difficult to contest those conclusions or to over-estimate their gravity. The attack upon official religion is taking various forms; but there is a deep parallelism between what has been happening in Germany and the movement against the Orthodox Church in Russia: perhaps also the neo-Turanian assault upon Islam in Turkey was not wholly alien in spirit.

In the third Act there is no mincing matters in the description of "Japan's vast and undisputed *de facto* gains which were the immediate rewards of her disloyalty and intransigence." The advantages to Japan from her annexation of Jehol are set out with special lucidity in one of the chapters contributed by Mr. Hubbard: the possession of this remote and unproductive province furnishes her with "a base of operations against Russia's long and vulnerable Siberian frontier on the one hand and against intra-mural China on the other." The repercussions of Japan's aggressiveness on the politics of the Pacific led to America giving its diplomatic recognition to Soviet Russia and starting to build a navy up to the full strength allowed by the London Treaty which Japan has since denounced. Altogether it is a mournful tale. The economic aspect of it is not quite so black as its political side: for the interesting suggestion is made that the unfair competition or dumping which is commonly ascribed to Japan is not in reality a *sabotage* of international commerce, but more often an opening up of new markets in which her competitors had never attempted to deal.

To many other points of interest in the volume, nothing beyond a passing allusion is possible: the swing of Poland, for example, from the French to the German camp; the anxieties of Czechoslovakia and her wise handling of her minorities; the activities of the Little Entente; the vicissitudes of the Four Power Pact; the marginal line between Great Powers and others; the improved relations between the United States and the Republics of South America. Here and there, these various movements contribute something to the "unseen and imponderable constructive forces battling doggedly against the apparently incorrigible perversity of people in political and economic authority." For it is a despondent note which Professor Toynbee strikes in his general survey of the whole field. The mastery, he feels, over matter which has been acquired by the western world is serving only to expose man's "social incompetence in the conduct of human relations." Here the historian leaves us: he has diagnosed our malady; it is for the philosopher and the statesman to find the remedies.

The "Documents" are arranged in the same order as the topics in the *Survey* and form, as in previous years, a valuable companion to the parent volume. One-half of the total space is devoted to "Disarmament and Safety"; and here a particularly instructive item is the Draft Convention put forward by the British Government in March 1933, in the hope of saving the Disarmament Conference from collapse. It is printed with the various amendments and reservations moved by other governments. In the same section a document of much historic importance shows the evolution of the Four Power Pact and throws a vivid light on the outlook of its signatories. In the Economic section, the papers range from the initial optimism of the annotated agenda for the London Conference to the poor final salvage from its wreck. The editor apologises for omitting the documents pertaining to the New Deal in the United States: but no excuse is needed, because he could hardly have done justice to them without an extra volume.

A much graver omission is any explanation from Japan of its policy in the Far East; but when a nation prefers the bayonet to the pen, no editor of peaceful habits can help. MESTON.

3. FREEDOM AND ORGANISATION, 1814–1914. By Bertrand Russell. 1934. (London: Allen and Unwin. 8vo. 528 pp. 15*s*.)

As Chaucer is notoriously " a dangerous author for a weak speller," so is Bertrand Russell for a weak historian; on the other hand, both writers are likely to do their victims a great deal of good in showing up the weaknesses of conventional spelling and conventional history. *Freedom and Organisation* is not exactly a history of philosophy nor yet of politics: it is a history of the ideas put forward by thinkers and commonly accepted by intelligent men at different periods, to some extent producing and guiding new social and economic conditions and to a much greater extent suffering change and transformation under their influence. In the main the thing most desired by the civilised world in 1814 was Freedom; at the present time it is Organisation. Lord Russell is a philosopher, and a very witty one at that; consequently he moves among the ideas with a delightfully sure touch, and has a happy gift of satire, pessimistic perhaps, but not often unkindly, in describing the thinkers. His accounts of Bentham and Owen, his analysis of the contrast between Hamilton and Jefferson, of the brutal hypocrisy of Bismarck and the self-deceiving religiosity of Alexander I are excellent. His criticism of Karl Marx, brief as it is, is both just and illuminating, and his account of the rise of American capitalism and " big business " not only brilliant but surprisingly moderate and free from prejudice.

Yet one is reminded of Stevenson's apologue about the tribe condemned to wear shackles on the left ankle, who struggled nobly for freedom from this degrading oppression, and then proceeded to put shackles on the right ankle instead. Lord Russell is great on the association of religious fervour and cruelty. There he is probably right; a burning faith often carries with it a desire to burn others, witness the Bolsheviks on one side and the Inquisition on the other. Nor perhaps should we quarrel too much with a deep underlying pessimism which pervades this book much as it pervades most of Tolstoy. "Thinking is not one of the natural activities of man. It is a product of disease, like a high temperature." "Experience showed that clergymen and magistrates had no objection to law-breaking when its purpose was merely the torture of children." " The Poor Law is said (though this seems scarcely credible) to have had philanthropic motives." But in his account of the causes of the Great War the author slips rather into the *Fable Convenue* of the anti-Grey party, and makes some definite historical mistakes. It is also curious that, though his whole argument leads up convincingly to the necessity of international organisation and limitation of independent sovereignty, Lord Russell makes no mention at all of the League of Nations. True, the institution itself comes just outside his period, but the idea was just inside.

GILBERT MURRAY.

4*. PREFACE TO PEACE. By Sir Norman Angell. 1935. (London: Hamish Hamilton. 312 pp. 8vo. 7*s*. 6*d*.)

THIS book is a model of the lucid and logical reasoning which we have learnt to expect from its distinguished author. Though he is apt to repeat himself, and he wastes, perhaps, an undue amount of

space in demolishing arrant nonsense qûite unworthy of his steel, many of the fallacies which he triumphantly exposes are no doubt widespread enough to deserve the attention which he devotes to them. His thrusts are directed impartially at Die-Hard and Pacifist, Tory and Socialist, one of the best passages in the book dealing faithfully with the illusion that war is an essentially capitalist institution. The case which he makes out for a system of collective security is as nearly conclusive as possible. The trouble is, however, that Sir Norman Angell is too dexterous a controversialist. When he enters the ring, we know that he will win on points, but, after enjoying his brilliant display, we are left with an uneasy feeling that his opponents will turn up next day as vigorous and as dangerous as ever. The "plain man," John Smith, for whose guidance the book is written, will probably remark, "Frightfully clever and all that, but I know there's a snag somewhere!" He feels that Sir Norman could argue anything, and that he, John Smith, would be quite incapable of detecting a fallacy, but he cannot be brought to believe that views entertained by very distinguished persons all over the world are as idiotic as the argument seems to demonstrate.

A more fundamental criticism is that the author misinterprets or ignores the standpoint of the kind of man whom he is addressing. The issue does not present itself to John Smith, in Sir Norman's terms, as a choice between two roads, one leading to peace and the other to war. He is perfectly conscious that the road he is here bidden to avoid leads to war, though with care his journey may be planned so that the destination is sufficiently far off not to concern him personally. But he says that there is no second road. The delectable by-pass seems to exist only in the paper plans of engineers, of whose competence to construct it he is profoundly sceptical, while, if he stands still and takes no road at all, war is overtaking him with gigantic strides. The majority of John Smiths need no persuasion that a real collective system would be an infinitely better guarantee of peace than the alternative of competing armaments and alliances. But they are inclined to apply to such a system the comment on the Grand Design of Henri IV which Sir Norman quotes: "It is perfect, flawless, save for one thing—no earthly prince will ever be persuaded to agree to it." If they are convinced, for example, by the cogent argument in the book, that "diplomatic pre-commitment is the minimum which the world must accept," they look round and see the whole English-speaking world resolutely opposed to any such policy. Or they read, "no collective or co-operative system can possibly work unless there is a belief on the part of each that the others will really fulfil their obligations," and they ask, where in the world is any such belief actually entertained? In these circumstances, they wonder whether the old methods, leading though they inevitably must to ultimate war, are not at present the only system of security which mankind is capable of working, and they echo the modest prayer of their liturgy for "Peace in *our time*." Sir Norman himself concedes to human imperfection the admission that the ultra-pacifist solution is impracticable, and that no nation will surrender its right to defensive armaments. Smith only goes a short step further, when he concludes that, human nature being what it is, the collective system, for all its manifest advantages, is an impossible dream. Conversion will only be achieved when Sir Norman directs his great gifts to displacing this conclusion.

G. M. GATHORNE-HARDY.

5. The History of the "Times": Volume I. The Making of "The Thunderer," 1785–1841. 1935. (London: The Times Office. 8vo. xx + 515 pp. 15s.)

The *History of the Times*, written by members of its present staff, displays those qualities which have come to be recognised as the tradition of the paper itself. It is well informed, well balanced, tolerant, unsensational and anonymous. This first of the three volumes in which the century and a half of the career of *The Times* will be described, covers rather more than fifty years, ending with the death of Thomas Barnes, the first of its two greatest editors, in 1841.

It is appropriate that a reviewer in these columns should be pre-eminently interested in the rôle of *The Times* in foreign affairs. Just as the Great War may be said to have made the fortunes of our two great Sunday papers (though both had already had a long and not undistinguished history), so the Napoleonic wars, combined with the prudent management of John Walter the second, made the fortune of *The Times*. It was John Walter who laid the foundation of the foreign news service which has ever since been a distinctive feature of the paper. He realised that the first duty of a newspaper is to get its news both punctually and accurately; and despite war-time difficulties with the Post Office and other government departments, the foreign news of *The Times* throughout the war complied with both these requirements to the utmost limit permitted by the mechanical resources of the day. It is significant of John Walter's enterprise on the technical side that the first steam printing-machine was set up in Printing-House Square, and that this happened at the moment when *The Times* had just begun to assert its primacy among English journals—in 1814.

The sequel of the war was a momentary set-back. Under an editor named Stoddart, *The Times* espoused the cause of the restored Bourbons in France with such vigour that it began to antagonise not merely liberal but even moderate conservative opinion at home. It was one of those periodical aberrations to which even the greatest of newspapers is still occasionally subject. Stoddart was soon removed. But the pro-French label stuck, and a few years later there were ugly rumours that *The Times* was in the pay of Decazes. These seem to have been completely without foundation. Although papers supporting the government (*The Times* among them) regularly received, during the early years of the nineteenth century, payments from Treasury funds, there is no trace of *The Times* ever having accepted any payment from a foreign government.

The period of Barnes's editorship (1817–1841) saw the English people and their Press more concerned with domestic than with international affairs. It was only after the turn of the century, under Delane, that *The Times* became a power in European politics; and this period belongs to the next volume, which will be eagerly awaited.

John Heath.

6. The Foreign Policy of the Powers: France, Germany, Great Britain, Italy, Japan, Soviet Russia, the United States. By Jules Cambon, Richard von Kühlmann, Sir Austen Chamberlain, Dino Grandi, Viscount Ishii, Karl Radek, John W. Davis. With an introduction by Hamilton Fish Armstrong. 1935. (New York: Harpers, for the Council on Foreign Relations. 8vo. 161 pp. $1.50.)

The title-page of this book speaks for itself. It is most useful to have within one cover seven such authoritative studies. They vary

in their method of treatment. M. Cambon and Mr. Davis dwell much on the historical background of their subject, whilst Sir Austen Chamberlain presents a panorama of the present day. Signor Grandi, who has much to say incidentally about the League of Nations, contributes a diplomatic study, and Mr. Radek an essay on the Orthodoxy of Compromise. Herr von Kühlmann is adroit, implying much between the lines. His references to Czechoslovakia reveal a lack of affection almost unbecoming in a writer so careful of his phrases. Viscount Ishii's reasoned defence of Japanese policy is noteworthy for the stress it lays on the question of racial equality. President Wilson's arbitrary action in barring all reference to this question in the Covenant, if the Japanese amendment had been carried on a division, is still remembered at Tokio. A. Z.

7. THE TREATY OF VERSAILLES AND AFTER. By nine authors. 1935. (London: Allen and Unwin. 8vo. 192 pp. 5s.)

THE little volume, made up of a series of wireless talks, must be judged by reference to the audience for which it was designed. The core of it consists of an admirable elementary summary of the Treaty in four short chapters by Professor Toynbee; and this is followed by a series of chapters of varying value by authors of different nationalities on what the treaty looks like fifteen years later. The commentators do not for the most part err on the side of severity. But this retrospect inevitably gives more cause to reflect on the folly than on the wisdom of modern international statecraft. It also suggests—though the moral is not pointed—that a revaluation of Wilson's latter-day reputation is perhaps due; for the value and durability of different parts of the treaty may almost infallibly be measured by the extent to which they diverge from the prescriptions of the Fourteen Points.

JOHN HEATH.

8*. POLITICAL HANDBOOK OF THE WORLD, 1935. Edited by Walter H. Mallory. 1935. (New York: Harper Brothers, for Council on Foreign Relations. 8vo. 201 pp. $2.50.)

THE *Political Handbook of the World* is now established as an essential work of reference and the 1935 volume upholds the high standard of accuracy set by its predecessors. It presents in concise and accessible form information on the Press of the various countries and on their political leaders, parties and programmes. There are one or two omissions upon which it seems fair to comment: for instance, Memel and the Saar, while the section on France contains no mention of political groups like the *Croix de Feu*, the *Jeunesses Patriotes*, etc. There may be a case for denying Outer Mongolia a section of its own, but the inclusion of "Manchukuo" in the section on China is surely a euphemism. It is ungracious, however, to insist on such minor points in a work which will certainly prove most useful to journalists and students of international affairs. L. S.

9. WORLD POLITICS AND PERSONAL INSECURITY. By Harold D. Lasswell. 1935. (London: McGraw Hill Publishing Co. 8vo. vii + 307 pp. 10s. 6d.)

PROFESSOR LASSWELL is already well known to students of international politics for his researches on the subject of propaganda. In this book he takes a wider sweep. It is an attempt to approach the present-day problems of international politics from the psycho-

analytical angle. Many readers will be repelled by it. In the first place, it is frankly cynical. There is, for Professor Lasswell, no question of morality in politics. " Politics is," we are told on the first page, " the study of *who gets what, when and how.*" Secondly, the language in which the book is written is, to put it mildly, over-elaborate. Thus the first section of the work is entitled " The Configurative Analysis of World Value Patterns "; and when the author wants to say that it is hard to get the ordinary man to think in terms of the world as a whole, this is how he puts it :

" The incorporation of the person into his own culture proceeds so constantly that countertherapy . . . has but a modest chance of success in deflating the quick investment of the we symbol with uncritical evaluations."

Nevertheless, for anyone who will persevere, the book is full of interest, both for its ingenious speculations and for the light it throws on certain tendencies in contemporary thought, as well as for its bibliographical material, which is extensive and peculiar. The study of propaganda has convinced Professor Lasswell (or bemused him into feeling) that the only way to get a more secure world (one cannot use the word " better ") is to discover what Plato called a " noble lie "—in this case a nobler lie than that of the nationalists. But let the author speak for himself.

" If we pose the problem of unifying the world we must seek for the processes by which a non-rational consensus can be most expeditiously achieved. A sufficient concentration of motive around efficacious symbols must be elicited in order to inaugurate and to stabilise this adjustment. . . . The discovery of the symbols which in point of fact do elicit enough rearrangements of human reaction (*sic*) to inaugurate and to conventionalise a stable order is the essence of world-legislation."

The League of Nations flag versus the Hammer and Sickle ! An international postage stamp against the Swastika ! In this conflict of non-rational combatants, this battle between ghosts, Professor Lasswell's side is certain to lose. *Non tali auxilio !* A. Z.

10*. CRISIS GOVERNMENT. By Lindsay Rogers. 1934. (London : Allen and Unwin. Cr. 8vo. 166 pp. 5*s*.)

11*. THE CHALLENGE TO DEMOCRACY. By C. Delisle Burns. 1934. (London : Allen and Unwin. Cr. 8vo. 266 pp. 5*s*.)

PROFESSOR ROGERS traces, over wide and well-known fields, the stages by which a world which was to be made " safe for democracy " has become a world of dictatorships, and thus of crisis. In a moment of pessimism, he pronounces Gresham's Law to be operative in the press and in politics, as well as in coinage; but he is consoled by the reflection that Mr. Roosevelt, whom he fervently admires, " has demonstrated that you can have all the advantages of a dictatorship and not abandon democracy." Another hopeful sign is that the leading statesmen of the world have, in the last three years, dropped their habit of talking nonsense in public; the radio, he wisely hints, has helped in this reform. A mass of material has gone to the making of this volume, but its merits are unequal. It is hardly worthy of Columbia University, for example, to speak of " Topsy's genetic processes," or to say that francs " toboggan " and dictatorships " perdure." Nor is confidence in the Professor's historical judgments assured when we read that our crisis of August 1931 was the result of a notice served on the British Cabinet by British bankers to the effect that, unless the dole was reduced, England would go off the gold standard. And is it really true that " the British Empire was for

some years managed by a person named Rogers"? Slap-dash irrelevancies of this type are unsettling in a book with scientific pretensions.

Dr. Delisle Burns approaches crisis by a different path from his Columbia colleague. He views our post-War troubles as in reality no more than growing pains, the transition from a struggle for shares in the world's good things to the creation of new things in a bigger and better world. If democracy finds itself in a crisis, it has largely itself to blame, in so far as it has been content with a machinery of ballot boxes and vicarious sacrifices instead of a conscious effort to remake society from the foundation. This refashioning is needed in our ideals of health, education, usable wealth, art, leisure; and it can best be accomplished by working from the city outwards to the collective security of an international system, founded on a recognition of the truth that, in the modern world, no man can have peace unless all have it. The whole treatise is an appeal to the ordinary man and woman to come in and help in the task of rebuilding a true democracy instead of the "slave-civilisation" in which, according to Dr. Burns, most of us are still wallowing. MESTON.

12. GEOGRAPHY IN RELATION TO THE SOCIAL SCIENCES: Geography in the Schools of Europe. By Isaiah Bowman and Rose B. Clark. 1934. (New York: Charles Scribner's Sons. Cr. 8vo. xxx + 382 pp. $2.25.)

THIS constitutes the fifth volume of the report of the American Historical Association's Commission on Social Studies in Schools. Part of the volume, an investigation by Rose Clark on the place of geography in the schools of Europe, falls into place in the report the more obviously. It covers methodically the relevant data in the primary and secondary schools of nine European States and will primarily interest educationists, though it indicates usefully how far geography like history can be used for nationalist or internationalist propaganda.

Professor Bowman in the other part has produced work of far greater importance and wider interest which relates less obviously to the Commission's scheme, since it has little direct bearing on the teaching of geography in schools or even to undergraduates, but is mainly concerned with advanced geographical research. In a series of essays the author has made numerous converging approaches to the fundamental problems of the relation of research in geography to research in neighbouring social sciences, of the special nature of the geographical approach, its special techniques and its fundamental "conceptions." The outcome is a work which perhaps more thoroughly than any other will enable a reader ignorant of the trends of modern geography to place the subject, while to others it should prove a work of unending suggestiveness by the rare breadth of its basis of reading and observation and by the multiplicity and novelty of the techniques of investigation and exposition described and illustrated.

Readers who know the author's *The New World*—still the best work on political geography—should be warned that the section here explicitly devoted to political geography is the slightest in length and content and that the direct relevance of the whole to International Relations is small. Indirectly, however, that relevance is considerable.

The revelation of the difficulties of defining a "geographic region," for example, is important in judging charges that political frontiers cut across the "natural frontiers" of such regions, while the chapter on Population and Land Studies will supply many a needed qualification to current statements on over-population and empty lands.

Granted that the chapter on the philosophy of geography is as intangible as usual, that the non-geographer may find a few pages heavy going and some of the borrowed maps insufficiently elucidated, and that the final application to international problems is left to the reader, this work may be recommended as a seminal and highly stimulating contribution. L. G. ROBINSON.

13*. THE CONTINENT OF ASIA. By L. W. Lyde. 1933. (London: Macmillan. 8vo. xxii + 777 pp. 16s.)

PROFESSOR LYDE long held the chair of Economic Geography at University College, London, one of the earlier chairs of Geography in Great Britain. He set himself the task of dealing with the regional geography of the whole world. A task so stupendous involved the systematic collection of a great mass of material which he has continuously revised and which has been incorporated in two studies, *The Continent of Europe*, which appeared several years ago, and *The Continent of Asia* at present under review. *The Continent of Asia* is thus not an isolated work by a specialist and it would not be fair to judge it as such. The attempt to write a regional geography of the whole world on this scale may never again be attempted by one mind. It belongs to the pioneer period of the development of geographical studies.

The theme is throughout the relationship of man and country in all its varied forms and with its manifold reactions on public affairs, whether they be economic or social or political. It is thus of interest to the reader interested in affairs as well as to the geographer in the technical sense. The discussion of the Indian problem, for example, is stimulating and provocative, whether we agree or do not agree with its conclusions; indeed it is an essential of the author's method to construct a picture of a situation as he sees it and as he understands it. The book here attains its highest levels. The regional accounts are very full of material, sometimes too full of place-names and facts to be readily comprehensible, but the facts are never given as in the old geographies without an attempt to consider their causation and their significance. Professor Lyde writes tersely and vividly and has something stimulating to say on almost every page. These very virtues, however, result in *The Continent of Asia* being less of a systematic exposition than it would be if written by another, if a less vivid, mind. WILFRED SMITH.

14*. MEMORANDUM ON THE TEACHING OF GEOGRAPHY. Issued by the Incorporated Association of Assistant Masters in Secondary Schools. 1935. (London: Philip. 8vo. xvi + 418 pp. 7s. 6d.)

This Memorandum makes encouraging reading for those interested in the scientific study of international relations. It accepts "education for citizenship" as one of the broad aims of education and declares that the function of geography should be "to train future citizens to imagine accurately the conditions of the great world stage and so to help them to think sanely about political and social problems in the world around them." In particular the Memorandum suggests for the last school year a non-specialist course on broadly cultural lines which should concentrate on those commercial, social and political aspects of geography

which will best introduce the pupil to the modern world and fit him to take an intelligent interest in, and form sound opinions on, the great problems of the day. H. G. L.

15. THE SPY MENACE: an Exposure of International Espionage. By R. W. Rowan. 1934. (London: Thornton Butterworth. 8vo. 284 pp. 10s. 6*d*.)

The public likes an author who makes its flesh creep; and Mr. Rowan caters for this taste in a most determined manner. Espionage is his staple theme, though he does not disdain minor nightmares such as bacteriological warfare and Professor Banse. There may or may not be an international "spy menace." But this collection of spy stories, mostly dating from the War, cannot be regarded as a serious study of it. J. H.

16*. DICTIONARY OF TERMS RELATING TO AGRICULTURE, HORTICULTURE, FORESTRY, CATTLE-BREEDING, DAIRY INDUSTRY AND AGRICULTURE IN ENGLISH, GERMAN, FRENCH AND DUTCH. Compiled by T. J. Bezemer. 1935. (London: Allen and Unwin. 8vo. vii + 249 pp. 25*s*.)

This work, the first dictionary of its kind, should prove most useful, not only to students of Agriculture, Horticulture, etc., but to all those who find themselves confronted with unfamiliar technical terms in a foreign language. The book is divided into four sections, the first giving the word in English with its equivalents in the other languages, and the others repeating the process, beginning with German, Dutch and French respectively.

17*. ROAD AND RAIL IN FORTY COUNTRIES. Report prepared for the International Chamber of Commerce by Dr. P. Wohl and Professor A. Albitreccia. 1935. (London: Humphrey Milford. 8vo. xix + 455 pp. 18*s*.)

This report makes a comparative survey of the actual conditions under which road and rail transport are respectively operating at the present time, thus supplying the necessary basis of facts for a study of the question of the co-ordination of these two means of transport. An introductory report was published in 1933 setting out possible solutions of the road and rail problem.

## PRE-WAR HISTORY

18*. LES ENGAGEMENTS DE L'ALLIANCE FRANCO-RUSSE. By Pierre Renouvin. [Extrait de la *Revue d'Histoire de la Guerre Mondiale*, Octobre 1934.] 1934. (Paris: Costes. 8vo. 16 pp.)

THE threatened reappearance on the European diplomatic scene of a Franco-Russian alliance, veiled no doubt in some more modern and fashionable dress, must have made many people ask: What exactly did the famous pre-War Franco-Russian alliance amount to? The present pamphlet, a reprint of an article in the *Revue d'Histoire de la Guerre Mondiale*, answers this question. It does not purport to narrate the history of the alliance, but to describe precisely what its provisions were. Few people probably remember how those provisions changed from time to time during the twenty-three pre-War years while the alliance was in force.

It began in August 1891 with what would nowadays be called a "consultative pact"—an innocent agreement to consult together on any "menace to the general peace." A year later teeth were put into this understanding by a secret military convention which provided (1) that if Germany attacked either party, the other would attack Germany; (2) that if *any one* member of the Triple Alliance mobilised,

France and Russia would also immediately mobilise. The second provision was fraught with danger from the first owing to Austria's Balkan preoccupations. Even a partial mobilisation by Austria to deal with a Balkan state would provoke a complete Franco-Russian mobilisation with its incalculable consequences.

The alliance did not, however, stop there. In 1899 there was a new protocol which added " the equilibrium of forces in Europe " to " general peace " as one of the things which the alliance was designed to maintain; and in 1900 Great Britain was put beside Germany as a country to which provision (1) was applicable. There were even precise stipulations about the forces with which Russia would attack India if Great Britain should attack France, and Russia received a loan for the construction of a strategic railway from Orenburg to Tashkent.

This was the high-water mark of the alliance. By 1906 the Entente Cordiale had begun, and Russia had been defeated in Manchuria; and the application of provision (1) to Great Britain, while not formally renounced, was obviously a dead letter. In the crises of 1909 and 1911 a fresh doctrine was elaborated. The convention was no longer regarded as applying automatically, but only when " vital interests " of one or other of the parties were at stake—a phrase which obviously left room for interpretation; and in 1911 it was agreed that mobilisation by Austria or Italy would call for consultation, but would not entail, as the original convention had laid down, immediate mobilisation. Finally, the last period (1912–1914), while introducing no fresh modifications, showed a certain reaction against the relaxation of the preceding years, and witnessed a tightening up, in fact if not in theory, of the bonds of the alliance.

It is remarkable that no good history has yet been written of the Franco-Russian alliance. This timely little pamphlet assembles the framework on which such a history might be constructed.

JOHN HEATH.

19. DEUTSCHLAND UND ENGLAND IN IHRER POLITIK UND PRESSE IM JAHRE 1901. By Dr. Johannes Dreyer. [*Historische Studien*, Heft 246.] 1934. (Berlin: Ebering. 8vo. 119 pp. *Rm.* 4.80.)

THE essay contains little which is new, except that the recently published French documents are utilised. As far as the press review is concerned, only that of the German press is properly attempted. Of British papers the author had access to *The Times* and the *Nineteenth Century Review*, while other papers are quoted, almost throughout, from summaries and excerpts published in the German press—which seems a ludicrous procedure. Is it impossible to obtain at Berlin files of other English papers and periodicals, and if so, should not the author have come to London for a few weeks or months, and done the work in the only way which can yield valid results? L. B. N.

20. DIE ENTWICKLUNG DES OESTERREICHISCH-SERBISCHEN GEGENSATZES, 1908–1914. By Dr. Gerhard Hiller. 1934. (Halle: Akademischer Verlag. 8vo. 93 pp., bibl. *Rm.* 4.60.)

THIS is a careful and well-documented essay on Austro-Serbian relations from the Annexation to the outbreak of war. The point of view is very strongly, almost innocently, pro-Austrian. Thus on p. 5 the " Economic Quarrel " (*i.e.* the " pig war ") is dismissed as comparatively unimportant, because Serbia's motives for it—to

emancipate herself economically from Austria—were largely political, as though Austria's motives were any different. Serbia is accused throughout of mistrusting Austria, and in the same breath, Austria is justified for mistrusting Serbia, and while Austria's policy is described as "purely defensive," such "defence" is shown to have included plans for practically dismembering Serbia, even if the chief proposed beneficiary were to be Bulgaria.

It is quite clear from the writer's own account that the position was an impossible one, and the question of guilt is simply the question of the hen and the egg. Mr. Hiller is convinced that the egg came first; but his own work is detailed enough to enable his readers to draw their own conclusions, and thus constitutes a useful contribution to the literature of the period. C. A. MACARTNEY.

21*. THE CAUSES OF THE WORLD WAR: an historical summary. By Camille Bloch. Translated from the French by Jane Soames. 1935. (London: Allen and Unwin. 8vo. 224 pp. 7*s.* 6*d.*)

THE French original of this work was published in 1933 and was reviewed in the March 1934 issue of this *Journal* (p. 264). In the translation certain printers' errors have been corrected, quotations amended, and the references and notes at the end now refer the reader to documents in their original form instead of to the French translation. But none of these alterations, amounting in all to about 40, modify the work in any way or touch upon any essential point. The book gives an historical summary of every step and incident leading from the annexation of Bosnia-Herzegovina in 1908 to the outbreak of war in 1914. H. G. L.

## ECONOMICS AND FINANCE

22*. THE EUROPEAN WAR DEBTS AND THEIR SETTLEMENT. By Wildon Lloyd. 1934. (New York: Committee for the Consideration of Inter-Governmental Debts. 8vo. 86 pp. $1.50.)

THIS pamphlet is an argument to persuade the creditor to think again about his bond, but it deserves also to be read by the debtors as a reminder that the affair has been neither settled nor forgotten.

The author sketches the circumstances in which the debts were incurred as an introduction to his main thesis that the debts are not ordinary commercial debts and that they cannot possibly be met in full by any nation. He proposes that the original principal of the debt should in each case be reduced by one-half as a rough adjustment of the difference between the level of prices in 1918 and 1934; that no interest should be charged upon this principal and that from it should be deducted all cash payments already received by the United States. This works out in the case of Great Britain with a result with which no Englishman could find fault, by leaving the outstanding sum still to be discharged at $70,691,763.

The other countries would be left with a substantially larger burden, and the author proposes that the difficulty of transfer should be met in part by payment in bullion, in part by grant of tobacco and match monopolies to United States syndicates and in part by a reduction of 25 per cent. in customs duties in favour of the United States.

The value of this pamphlet lies more in the freshness of the approach to a stale subject than in the precise recommendations put forward. It is important that a book of this sort should be read widely not only in the United States, but also by the defaulters of the Old World. The

former may be encouraged to forgive and the latter reminded lest they forget. C. I. BOSANQUET.

23*. DIE ENTWICKLUNG DER LAGE DER ARBEITERSCHAFT IN EUROPA UND AMERIKA, 1870–1933. Statistische Studien der Reallöhne und Relativlöhne in England, Deutschland, U.S.A., Frankreich, und Belgien. By Jurgen Kuczynski. 1934. (Basel: Philographischer Verlag. 8vo. 70 pp.)

THIS short book dealing with real wages and with the relation between real wages and production per head contains much highly controversial matter. Dr. Kuczynski gives statistical material which appears to indicate a progressive decrease in the standard of living of the workers in England in the present century as compared with the period 1895–1903, a decline greater among skilled than among unskilled workers; for Germany a substantial rise in the pre-War period, and a more serious decline in the last decade; for the United States a rise of 27 per cent. for skilled workers and a small rise for the great mass of labour. These conclusions, as far as England is concerned, do not appear to fit the facts, as shown, for example, by a comparison of the recent survey of Life and Labour in London with that prepared by Charles Booth. Much depends on the weighting of the figures of wages; moreover, calculations of the cost of living are open to many reservations; and even if both calculations were perfectly balanced, the resulting "real wages" level would not represent the standard of life without consideration of the whole gamut of education, health and social services and amenities generally.

But Dr. Kuczynski makes many useful observations on the general situation which deserve careful study. One of these is the intensification of industrial processes, especially marked in the United States, which makes it hard for the middle-aged and the older worker to maintain the pace, and that he is likely to fall out earlier. Therefore a higher annual wage does not necessarily mean higher total earnings throughout life. Moreover, intense work means a larger expenditure on food for the recuperation of physical and particularly nervous energy and less for the other items in the budget. M. BRYANT.

24*. THE ECONOMIST'S HANDBOOK: A Manual of Statistical Sources. By Gerlof Verwey, with assistance of D. C. Renooij. 1934. (Amsterdam: The Economist's Handbook. 8vo. viii + 460 pp. £1 15s.)

THIS is a valuable production, which will prove indispensable for all those who have to refer to statistics dealing with several countries. It covers economic subjects of every kind from "Acceptances" to "Zinc." In addition to general statistical sources (*e.g.* those published by the League of Nations), sources are given for Belgium, France, Germany, the Netherlands, Switzerland, the United Kingdom and the United States. Very wisely the authors of this work have refused to confine their attention to official statistics, and have included unofficial sources of information. They are to be congratulated both on their enterprise and their thoroughness. A. T. K. GRANT.

25. THE ECONOMIC BASIS OF POLITICS. Reprinted with a new Preface. By Charles A. Beard. 1935. (London: Allen and Unwin. 8vo. vii + 99 pp. 3*s.* 6*d.*)

THIS slight volume, though familiar to students of American political writing for some years past, has not until the present time

appeared in an English edition. It is difficult to see how it adds either to Professor Beard's eminent reputation or to the important contributions which he has made to knowledge. Based on four lectures delivered at an American College during the War, it employs the method of historical analysis to propound the thesis that forms of government are in the main dictated by the distribution of property and that the art of statesmanship is the art of reconciling conflicting economic interests. It is thus a summary restatement of the view underlying the author's *Economic Interpretation of the Constitution of the United States.*

TERENCE O'BRIEN.

26. ENGLAND TAKES THE LEAD. By Harold Fisher. 1934. (London: Jonathan Cape. 8vo. 253 pp. 6s.)

IN this book Mr. Fisher has taken upon himself a double rôle—that of analyst and that of prophet. As analyst he approaches monetary questions from a new and original standpoint. He looks upon the whole process as one of creating and discharging obligations (in his words "promises to pay"), and what is significant for him is "a major movement within the total volume of promises to pay at any time in being." This method of approach is a promising one; it is logically satisfying and would seem to offer a road to interesting results, though Mr. Fisher has by no means followed this road to its end. One can only hope that a more detailed study is to follow; it certainly should make interesting reading.

When Mr. Fisher tries to foretell the future, he is on hazardous ground. He concludes that "the creative activity of the new generation will have enormous play, and the generation that fought the War will go down to its old age in the gratifying splendour of a new world." Perhaps; perhaps not.

The title of the book is unfortunate, and some of the writing unspeakable: for example, "The world is approaching the foothills of a mountain range of prices higher than it has ever yet climbed, and the path of destiny lies through Great Britain." Which is a pity, as the argument of the book is enterprising, even though many would not agree with it.

A. T. K. GRANT.

## THE INTERNATIONAL LABOUR OFFICE

27*. THE ORIGINS OF THE INTERNATIONAL LABOUR ORGANISATION. 2 vols. Part I, History; Part II, Documents. Edited by James T. Shotwell. 1934. (Columbia University Press; London: Humphrey Milford. 8vo. xxx + 498, xii + 592 pp. £2 10s.)

THIS book, with its full history, its complete documentation and appendices, is indispensable to the student of international labour affairs, but its price forbids a general public, which is a pity, for there is much misunderstanding of the work of the International Labour Office and room for a popular account of its activities. Fontaine and Thomas being both dead the team of writers selected could not be bettered. Ernest Mahaim, Sir Malcolm Delevingne, Harold Butler, the present Director, Edward Phelan and Professor Shotwell have all been connected with the I.L.O. since its birth and the remainder are distinguished writers. In Great Britain there is an idea which sometimes comes up at meetings and is fostered by the less scrupulous newspapers, that the I.L.O. is a device of foreigners to make this unfortunate land

pay large sums of money for its upkeep in order that these same foreigners should control our labour policies. The truth is that the organisation at Geneva is the result of a growing feeling in all industrial countries that the chaos in labour legislation must be reduced to something like order in the general interest of the world.

The first suggestion of international agreements came from a remarkable source, none other than Bismarck, who as early as 1885 drafted a memorandum suggesting an international conference on the lines of the International Postal Union. He seems to have dropped the idea and when in 1890 it was revived by the Kaiser to have opposed it; indeed, his opposition was one of the early incidents of his downfall. The Kaiser got his way and a conference was held in Berlin at which the British attitude was that the British Government could not enter into international obligations on labour matters, though it was not explained why a government which could enter into political treaties with foreign countries could not enter into industrial ones. The only people with a clear idea of what was necessary were the Swiss. It should be mentioned that in 1881 the Swiss Government had circulated a memorandum suggesting the international regulation of work in factories and, at Berlin, they submitted a proposal which Sir Malcolm Delevingne rightly calls a remarkable piece of foresight, for it lays down the principle of the present I.L.O. All that came of the Berlin Conference was a general recognition that something ought to be done and a determination to leave it to someone else to do, for an agreement to attend another conference came to nothing.

In 1900, however, a more modest scheme was evolved and the International Association for Labour Legislation came into being in Paris. It was unofficial but it was hoped to get the benison and co-operation of governments, together with employers' federations and trades unions. As Sir Malcolm says, it dissipated its energies over too wide a field and attempted too much, but in one direction it attempted too little. In Great Britain, at all events, few trades unions even knew of its existence. An odd circular might come to an overworked general secretary but that was all, and neither employers nor trades unions joined it to any extent. The work it did, however, was enormous. It broke down the feeling that international agreements could not be reached and organised conferences which were to have most far-reaching results. The Franco-Italian Agreement of 1904 giving reciprocal treatment to French and Italian nationals when working away from their own countries may not have been its work but was due to its spirit, as were also the many associations for the study of labour questions. Our author says tersely, "The War broke the Association." It did, but if ever the illustration of the phœnix can be applied it is in this case, for it rose from the ashes of strife and the result is the I.L.O.

We have no space to do more than note that international feeling was growing in all industrial quarters. Employers had formed affiliations as had trades unions, W. A. Appleton of the G.F.T.U. and later Arthur Henderson doing notable work, while, in addition, individual trades unions linked up with their fellows abroad. The way was therefore made easier for agreement, but there were still many difficulties. Leon Jouhaux in France thundered eloquently in its favour, but his appeal fell on deaf ears; indeed, Clemenceau at an interview with British Labour leaders early in 1919 hinted that he had not bothered to think about the idea, and, in the circumstances, that

was probably a very helpful attitude. Great Britain made the first move. G. N. Barnes, himself a Labour man, was in the Cabinet. He devoted himself to devising a scheme and fortunately had for his coadjutor Malcolm Delevingne, the Labour adviser to the Home Office. They secured the blessing of the Prime Minister, Mr. Lloyd George, called a British Empire Committee to meet in Paris, and invited the Trade Union Congress to send delegates. It is part of the inner history of the movement that the invitation nearly went wrong. The T.U.C. did not like Lloyd George and there was some unjustifiable feeling against Barnes, but this was got over and the Committee drafted a rough scheme. It was subsequently found that one or two other countries had been thinking along the same lines, but the British proposal was the first concrete one put forward. There were other anxious moments for Barnes. Governments were beginning to cool, but eventually the rough draft went to an official committee presided over by Samuel Gompers, the United States Labour leader. The second volume shows the changes made in the draft which were of detail and not of principle, and Edward Phelan devotes some little space to discussing Gompers' difficulties. He was an interesting and irritating person, with his curious insistence on the phrase " Labour is not a commodity," whatever that may mean, and his adherence to the eight-hour day as against the more flexible forty-eight-hour week. Phelan praises the old man for giving way but in Washington Gompers recanted and was exceedingly wroth with the Labour delegations for not sticking to the eight-hour day. His attitude was the more curious because, while in theory the eight-hour day applied in the larger industries, in practice it did not, for while the Conference was sitting, a strike was proceeding against an eighty-hour week in one of the principal industries. They had the eight-hour day, but as overtime was paid at single rate, the employers calmly insisted that the men should work on.

The greatest difficulty was over the composition of the Governing Body of the I.L.O., both employers and trades unions objecting to the number of government representatives. Both declared that, left to themselves, they could reach far better agreements than if hampered by bureaucrats, but they overlooked two things of importance. There is a possibility of employers and workers unconsciously forming a conspiracy against the consumer, and governments, however inadequately equipped for the work, are the consumer's only protectors. Besides, international agreements often require the sanction of law and it is better for the government to be represented in the earliest stages. The other objection taken is comic in the light of the event. The employers, smarting a little under what they called socialistic legislation, feared that the official delegates would be too sympathetic to Labour; the trades unionists said that officials belonging as they did to the employing class would join the employers' *bloc*. In practice this has not happened. The government delegates do not always vote one way and not always with the employers. The latter are sometimes divided and the only sign of a *bloc* is in the Labour group.

Much as we would like there is no space to deal with the Washington Conference. It resulted in the establishment of the I.L.O. and the appointment of Albert Thomas, who guided it with real genius until his untimely death; and we must conclude with a word of gratitude that the United States has at last taken its proper place in the International Labour Office.

G. H. STUART-BUNNING.

## THE BRITISH COMMONWEALTH OF NATIONS

28*. THE THIRD BRITISH EMPIRE. By Professor Alfred Zimmern. 3rd ed. 1934. (Oxford University Press. 8vo. xii + 192 pp. 6s.)

IT is very interesting, and highly instructive, to compare this third edition of Professor Zimmern's book with the two previous editions. It follows the first edition after eight years, and the second after seven years. These are not long intervals, and yet the careful reader will notice—particularly in Chapter II—a development, a widening and deepening of Professor Zimmern's conception of the philosophic bases of the British Empire, and the part which it has to play in the world. On behalf of students, not only of British Imperial relations, but of international politics, and, above all, of those who look for the creation of an organised world-State, we ask Professor Zimmern to give us an assurance that this will not be the last edition of his book. For he shows the British Empire as not only the most important element in the collective system, but as the great example of the sort of international co-operation on which a stable system of organised world relations can be erected. Even more than this, there can be read in his discussion the character of the British Empire as an energising agent, actively and powerfully working all the time, to spread the basic truth that no legal sanctions can be so efficient or permanent as the free and spontaneous willingness to co-operate, which is the real foundation of the British Empire to-day. Professor Zimmern played a leading part in what could be called, without any abuse of words, the epoch-making Conference on British Commonwealth Relations at Toronto in September 1933. The quintessence of that conference is in this book.

Another notable chapter of his book is the discussion of the part to be played by the Empire in international economic co-operation. In this chapter Professor Zimmern does not go into any detailed examination of inter-Imperial economic relations, nor does he say much about the technique of present-day commercial treaty-making. Instead, he discusses *sub specie æternitatis* the whole problem of commercial policy, the struggle between the nations which form the class of the "haves" and those others which are the "have-nots." Professor Zimmern does not like the Ottawa policy, which he believes to be timid, ill thought out, and not neighbourly. He is all for international economic co-operation. In this latter aspiration, of course, he is joined by all real students of economics and politics, but there are many who will not agree with him in his condemnation of our present Imperial economic policy as intrinsically bad. Of course there is much in the Ottawa agreements that will have to be scrapped. Every month brings us some proof of that. When Professor Zimmern says that our economic policy is ill thought out, the clash between Mr. Elliot and the Dominions is monumental proof that what he says is true. Nevertheless, admitting all this, we might ask Professor Zimmern to consider whether the Ottawa policy may not be the first clumsy beginnings of an Imperial economic policy which will be as suited to the conditions of the modern world as the Navigation Acts were to the conditions of the seventeenth century. Unfortunately, this theme is much too difficult to argue here, and this broad consideration is thrown out for Professor Zimmern's consideration.

It is impossible to draw attention to all the contents of this book. We could spend time over the valuable tables which set out the

political status of all the members of the Empire in the first chapter; the humane discussion of the place of the non-White peoples in the Empire, and the concluding chapter on "Empire and Nationality," with its invaluable exposition of how, in the British Empire, we have "de-politicised" nationality, call for comment, but the reader will turn to these things for himself. It is enough to say that in this book we have presented to us in short compass the British Empire as it is to-day in essence. It is earnestly to be hoped that it will be widely read by both foreign and British students. J. COATMAN.

29. IMPERIAL PREFERENCE VIS-À-VIS WORLD ECONOMY. By Benoy Kumar Sarkar. 1934. (Calcutta: Ray-Chowdhury. 8vo. 164 pp. *Rupees* 5.)

This book is an interesting attempt to show how present-day British Imperial economic policy stands with relation to the world economic system. The author has made a somewhat ambitious attempt to elucidate the present chaotic condition of international economic relations, and to show the directions along which, in his opinion, these are developing. Naturally a very large part of the book is given to the special position of India, and the chapters devoted to this are valuable. J. COATMAN.

30. BRITAIN UNDER PROTECTION. An Examination of the Government's Protectionist Policy. By R. M. Findlay. 1935. (London: Allen and Unwin. 8vo. 223 pp. 6s.)

HERE is all the evidence—and there is a great deal of it—of trade dislocations and other damage occasioned by the British fiscal reform of 1931–1932, which an energetic Free Trader could crowd into 200 pages. Mr. Findlay shows the National Government disregarding its pledges, and rushing the country into a change never endorsed by the electorate, whence retaliations from abroad, contracted opportunities for British exporters and shippers, increased costs of production, bureaucratic interferences and delays, competition for the ear of Parliament by a hundred and one interests, and futile attempts to make the public believe that none the less Protection had delivered some sort of goods. Mr. Findlay has assembled many instances of damage caused in one way or another through Protection, and a counter-propagandist would be hard put to it to refute any large proportion of them.

Mr. Findlay would not be the effective polemist that he is had he paused to enquire why, if there is no more to Protection than this sorry series of consequences, the whole instructed public opinion of the country does not rise and demand the repeal of the National Government's fiscal legislation. For Mr. Findlay is not the only person aware of the cost of the recent change. The fact is, people remember that the last Free Trade years were years of growing economic uncertainty. That the State should carry a more and more complicated and costly social service obligation, while not regulating in any way the expenditure of citizens upon foreign products, was felt on every hand to be perilous. A Government responsible for social services must be allowed powers of managing industry which a *laissez faire* Government need never have desired. Such was surely a feeling in the country, not to be dismissed as merely ignorant.

The economist of the future will probably have to make up his mind (anyway for a century or so) to governments making it their business to ensure that the home market gives the greatest possible

stable support to domestic industries. The Free Trade cause will not on that account have been betrayed. To bring pressure upon the Government to promote advantageous exchanges across frontiers and thereby to frustrate attempts at monopolistic exploitation of consumers will be the task of enlightened politicians of this and the next generation; but who can believe, looking round at the world as it now is, in governments renouncing control over their citizens' use of income to purchase foreign goods? Must we not rather expect and desire that governments will learn to control the output of domestic goods, and not to think their regulatory task discharged by merely interfering with the import of foreign goods? We shall, of course, be asked where governments are to acquire the wisdom to direct production intelligently; but it is a fair answer to prophesy chaos if they fail to find it somewhere. C. J. S. SPRIGGE.

31. CONSERVATISM AND THE FUTURE. By Lord Eustace Percy, M.P., and others. 1935. (London: Heinemann. 8vo. 319 pp. 7s. 6*d*.)

MR. E. T. COOK, the editor of this volume, has rendered a service by bringing together a number of contributions to contemporary Conservative political thought. Lord Eustace Percy, dealing with Conservative principles, bases these on the belief that it is the highest function of the State to maintain order in such a way as to give the freest rein to the creative powers of the individual. Mr. Emrys-Evans and Captain Loder, in a chapter on foreign affairs, argue on behalf of the principle of collective security developed through the machinery of the League of Nations; and Lord Iddesleigh contributes a chapter on inter-Imperial relations. TERENCE O'BRIEN.

32. WHY FASCISM? By Ellen Wilkinson and Edward Conze. 1934. (London: Selwyn and Blount. 8vo. 317 pp. 8s. 6*d*.)

THE authors of this rather complicated essay in comparative politics on the whole write with good temper. They pass from Italy and Germany to Great Britain, seeking to interpret contemporary history in terms of the struggles of classes and sub-classes. Fascism is for them not "Reaction" but a compromise, illogical and permanently uncomfortable, between Reaction and a sort of Socialism. But whether they themselves have a more logical and firmer founded doctrine of Society and the State one is not given much of an opportunity of judging. At times, despite themselves, they seem rather to like England as she is. C. J. S. SPRIGGE.

33*. THE PRESS IN ENGLAND. By Kurt von Stutterheim. 1934. (London: Allen and Unwin. 8vo. 223 pp. 8s. 6*d*.)

HERR VON STUTTERHEIM, for ten years London correspondent of the *Berliner Tageblatt*, has reduced to small compass, and recorded with admirable lucidity and detachment, the main features of the historical development and existing organisation of the English Press. Originally published for the edification of German readers, his account well deserved translation, both by reason of his intimate knowledge of the subject and for the clear relief into which so able and judicious a foreign journalist is able to throw the strong and weak elements of our English newspaper practice. His treatment of Lord Northcliffe's career and influence and of the post-War "trustification" of the Press deserve special commendation. TERENCE O'BRIEN.

## EUROPE

34*. France in Ferment. By Alexander Werth. 1934. (London: Jarrold. 8vo. 309 pp. 12*s.* 6*d.*)

'L'Affaire Stavisky' is the leading motif of Mr. Werth's book, but it is far more than an account of the scandal and its immediate consequences. He has given us a picture of the actual working of French politics, at a particularly difficult moment, which could hardly be bettered. Not the anatomy of the political structure but the living organism is what he shows. And, though the crisis necessarily displayed the more pathological aspects of French political life, Mr. Werth does not fail to show the corrective forces which are also at work.

The permanent difficulties of parliamentary government in the French Chamber with its numerous groups are well known, but despite many crises it has survived for over sixty years. It was not only this difficulty of governmental instability which made the crisis of 1933-1934 so serious, though the fall of the Daladier government on October 24th and the farce of the three-week Sarraut ministry which followed "marked the first stage in the rapid decline of government authority in France." The finances of the country were unstable, trade was bad, and the pressure of Hitlerite foreign policy combined with the aloofness of England created a widespread feeling of nervousness amongst the public. Moreover, as always when a Radical-Socialist government holds office in France, with the tolerance of the Socialists, the Right waited eagerly for any chance to attack. At the moment when Daudet and Maurras, on January 2nd, 1934, began their direct onslaught, general discontent was already considerable and their publication of the letters of Dalimier (Labour Minister in the Herriot government of 1932) recommending Stavisky's fraudulent Bayonne bonds "shook the authority of the Government, not only in the eyes of the Royalists . . . but in the eyes of the whole country." How the death of Stavisky added to suspicion; how M. Daladier's obstinacy and weakness combined gave the impression of governmental reluctance to examine the affair drastically; how the quarrel with M. Chiappe added to the flames and led to the disastrous riots of February 6th, and what was the character of the rioters and the methods of the police, Mr. Werth describes with great vividness.

But it is, perhaps, to Mr. Werth's discussion of the anti-parliamentary forces that threaten the Republican system that English readers will turn with most interest, for here he seeks to answer the question "What of the future?" The *Croix de Feu*, *Camelots du Roi*, *Jeunesses Patriotes*, *Solidarité Française*, by their very existence and growing numbers, show the widespread dissatisfaction of Frenchmen with their government. They are far from having any common or co-ordinated plan, and they are faced now with the Socialist-Communist alliance and M. Bergery's *Front Commun*. Is France to go the way of Italy and Germany and, from the open strife of disciplined factions, to pass into the hands of a strong man armed? It is the question with which every democratic representative system is faced where the forces of capital and labour are at grips. Mr. Werth does not attempt prophecy and his conclusion is caution itself:—

> "If, after the fall of the Doumergue government, there is no coherent and energetic government to replace it, then France may be faced with the gravest political crisis in her recent history. There is a growing feeling that the Radicals and the other truly democratic forces must pull themselves together."

The Doumergue government has gone and M. Flandin has already held office for a longer time than the average French Premier. But all observers remain doubtful about the future developments of French politics. For an understanding of the forces at work Mr. Werth's book is indispensable. E. J. PASSANT.

35. LE MOUVEMENT DE CONCENTRATION DANS LA SIDÉRURGIE LORRAINE. By Raoul Du Fou. 1934. (Paris: Berger-Levrault. 8vo. vi + 156 pp. 18 *frs.*)

IN this important work the author studies the development of the iron and steel industry in the east of France, and the movement towards the concentration of undertakings. In his introduction he defines concentration and how it operates in Lorraine, stressing the fact that the policy of integration has considerably increased the stability of the works. Formerly the object of this policy was merely the production and absorption of iron and steel. But to-day, besides the blast furnaces and the electric furnaces where smelting is carried on, there is also a considerable number of machines: Thomas steel converters, Martin furnaces, crucible furnaces, electric furnaces, rolling-mills, workshops of all kinds, centres of driving power, etc. As a result of integration from top to bottom, mines have been annexed, also quarries, and factory workshops for mechanical and electrical construction, and as the outcome of collateral integration the subsidiary workshops have also been brought in. Finally, a policy of collaboration has emerged, linking up the various undertakings with a view to their common economic interests.

In the first part of the book the author studies the problem of raw materials. He indicates the extent and the richness of the Lorraine mineral deposits, and the fact that fresh deposit is still being discovered. He shows how little by little integration is being realised in the iron mines. The question of fuel is as important as the question of minerals. Fortunately, while Lorraine possesses the chief deposit of iron in Europe, there exist near at hand deposits of coal in Lorraine and in the Saar which have facilitated the expansion of the industry. But the coal production needs developing, and researches have resulted in the discovery of new strata some of which will certainly be exploited soon. Side by side with the development of the iron and steel industry, coking plant is also being set up to an increasing extent.

In Chapter 3 the author studies secondary raw materials and societies for mineralogical research.

In Part II he deals with the organisation of production, the transition from the blast furnace to the ironworks. He traces the development of integration when part of Lorraine was still German, and describes how this integration has become intensified since the War, now that the whole Lorraine iron and steel industry is situated in French territory.

M. Du Fou then deals with the extension of the field of activity of iron and steel undertakings: the utilisation of cinders, of blast furnaces, of basic slag, of by-products of coke, and of electric power. He lays stress on the increasing inter-connection between the various iron and steel undertakings, and studies the links of interest between the Lorraine societies, the relations between the iron and steel concerns of Lorraine and those of the other regions of France, and the interest of Lorraine in the iron and steel concerns of Luxembourg and the Saar.

In his third part he describes the commercial organisation of the

concerns, their commercial facilities and the functioning of commercial societies, and the connection with the transforming industries. Internal co-operation is an important element in commercial organisation. "Comptoirs" have been in existence for some time. The most powerful is a positive "omnium of comptoirs," the *Comptoir Sidérurgique de la France*, founded after the War. Since then a considerable number of specialised "comptoirs" have come into being.

Above and beyond internal co-operation is international co-operation. The author traces the history of combines since the War, from the International Steel Cartel of 1926 to the reconstitution of this combine and the renewal of the *Comptoirs de Vente* in 1933.

M. Du Fou terminates his very complete and objective account by a description of the industrial groups concerned in the Lorraine iron and steel industry. He approves of the organisation of these groups, and explains how the formation of the groups differs from that of trusts and cartels: the group formation is simpler and more harmonious. The author considers that the integration of the Lorraine metallurgical industry is following a very satisfactory course. Certain groups have been badly hit by the crisis, but the Lorraine metal industry as a whole has been able to put up a resistance, and will be one of the first to benefit by the economic revival.

The book contains a bibliography and tables. MARCEL KOCH.

36*. THE MEANING OF HITLERISM. By H. Wickham Steed. 1934. (London: Nisbet. 8vo. xxiii + 208 pp. 5s.)
37*. THE NAZI DICTATORSHIP. By Roy Pascal. 1934. (London: Routledge. 8vo. 278 pp. 10s. 6d.)
38*. DIE AUSWÄRTIGE POLITIK DES DRITTEN REICHES. By Max Beer. 1934. (Zürich: Polygraphischer Verlag. 8vo. 171 pp.)
39. HEIL! A PICTURE BOOK COMPILED FROM AUTHENTIC MATERIAL. 1934. (London: John Lane. 8vo. xvi + 203 pp. 7s. 6d.)
40. THE CHANGING FACE OF GERMANY. By Robert Hastings. 1934. (London: Frederick Muller. 8vo. 192 pp. 3s. 6d.)
41*. THE SECRET OF HITLER'S VICTORY. By Peter and Irma Petroff. 1934. (London: Hogarth Press. 8vo. 128 pp. 3s. 6d.)
42*. AFTER HITLER'S FALL. By Prince Hubertus Loewenstein. 1934. (London: Faber and Faber. 8vo. xxxvi + 281 pp. 7s. 6d.)

MOST of these works reveal from different angles the revolt against Hitlerite Germany. Inevitably they are one-sided and, where hatred lends force to the author's writing, it is not infrequently at the expense of judgment. Yet, at least in the studies of Messrs. Wickham Steed, Roy Pascal and Dr. Max Beer, there is much material worth attention.

Mr. Wickham Steed's book is a pendant to his *Hitler: Whence and Whither?* and is a study in political doctrine rather than event. Based upon a course of lectures given at King's College, its chapters do not form an entirely logical sequence. But it contains an acute analysis of Rosenberg's *Myth of the Twentieth Century* (Nazism as a Faith) and, by way of contrast to Hitler and Hitlerism, a valuable chapter on Masaryk and the State Liberal.

Mr. Pascal's book is a solid contribution to the history of the Nazi movement, together with a reasoned and detailed criticism of its doings since it came into power. Its object is to display Nazi Germany

as the State of Monopoly-Capitalism, and the author's analysis of Nazi legislation in the economic sphere enables him to state a very convincing case. Most effective is his exposition of the way in which the lower middle class, who were largely responsible for bringing Hitlerism to power, have failed to reap any tangible benefits from the régime. The imponderables of national self-respect or pride, which Hitler claims to have evolved in his fellow-countrymen, give him no credit in Mr. Pascal's eyes. But, though strictly partial, this is not a book to miss.

Dr. Beer has constructed an extremely able critical analysis of German foreign policy in the Third Reich. Though, as a sane internationalist, necessarily hostile to the new régime, he writes in a spirit of anxious patriotism quite devoid of querulous denunciation. It would be interesting indeed if a reasoned reply to Dr. Beer's formidable indictment of the policy—or lack of it—which has led to Germany's isolation in Europe were written by a National-Socialist, and the outlook for European peace would be brighter if Dr. Beer's book could be read by the German people.

Of the remaining books, *Heil* presents the leaders of the new Germany as criminals or lunatics—or both—in a series of devastating character sketches. It would be more convincing if it were less bitter and if its sources were more fully revealed. In *The Secret of Hitler's Victory* Peter and Irma Petroff have little that is new to say. They criticise the bureaucratic character of German Social-Democracy and call for a recovery by the workers of their revolutionary élan, whilst retaining belief in the democratic method.

"Hitler has a firm belief that he is right; he actually believes what he says," remarks Mr. Hastings, and in *The Changing Face of Germany* he gives a naïve account of present-day Germany in various aspects. The critical level of his book can best be illustrated by a quotation. Writing of the Universities he says:

> "At the present time the number of qualified persons far exceeds the demand; hence it has been considered advisable to pass a regulation limiting the number of entrants in any one year. The graduate may thus be reasonably sure of finding a position on completing his period of academic study."

Of the fate of those not allowed to graduate he says nothing.

Prince Hubertus Loewenstein is of the number of political visionaries and in his optimistically entitled book *After Hitler's Fall* he sets out his dream of a future Fourth Reich. If the dream were based on the processes at work in German life it might have been a valuable inspiration, but its noble romanticism has so little relation to the crude realities that it becomes sadly comic. Yet it is something that Germany should have produced one who, in face of the complete breakdown of his hopes, can still retain faith in a future German Reich of justice, freedom and peace. E. J. PASSANT.

43*. DIE GESCHLOSSENE WIRTSCHAFT: Sociologische Grundlegung des Autarkieproblems. By Bernhard Laum. 1933. (Tübingen: J. C. B. Mohr. 8vo. xvi + 503 pp. *Rm.* 17·50.)

44*. DEUTSCHER SOZIALISMUS. By Werner Sombart. 1934. (Berlin: Buchholz und Weisswange. 8vo. xvi + 347 pp. *Rm.* 4·80; bound, *Rm.* 6·30.)

45*. DEUTSCHE AGRARPOLITIK AUF GESCHICHTLICHER UND LANDESKUNDLICHER GRUNDLAGE. By Max Sering, assisted by H. Niehaus and Fr. Schlömer. 1934. (Leipzig: Hans Buske. 8vo. v + 194 pp. *Rm.* 6.)

46*. NOTWENDIGKEITEN DER DEUTSCHEN AUSSENWIRTSCHAFT. By Hjalmar Schacht. 1934. (Berlin: Druckerei der Reichsbank. 8vo. 22 pp.)

47. KÄMPFT DURCH EXPORT FÜR DIE ROHSTOFFBESCHAFFUNG. Herausgegeben von den Wirtschaftsbehörden der Senate Hamburg und Bremen. (15 pp.)

THE books here under review afford, in the order given above, a good general survey of the fundamental importance of a movement towards economic self-sufficiency and its practical manifestations, and might well be grouped under the general heading of "Utopia and Reality in German Autarchism." In taking the word "Utopia" as the metaphysical point of departure, I am not using that word in any depreciatory or critical sense. By "Utopia" I understand a highly necessary ideal model, which gives the sense of direction to any movement which has as its object the building up of a reality, and which hopes to become something more than a mere mundane "muddling through" or a pure system of tactical "making the best of things." All these books are based upon the political outlook prevailing in Germany at the present time, but they are not "autarchical" in a polemically political sense. They claim to be comprehensible to everyone to whom the methods of scientific thought are not alien.

Bernhard Laum, who in 1924 published a famous essay called *Heiliges Geld, Eine Untersuchung über den sakralen Ursprung des Geldes*, in the present work makes an attempt on a large scale to contrast the ideology of the free-trade theory with that of protection. The main tendency of the book is indicated by the first section, dealing with "the psychological motives for the delimitation and shutting-off of social groups." The idea of the superstitious and religious significance of the "need for cutting oneself off from other people" is here developed, as it may be observed in the different ethnological categories (*cf.* Lévy-Bruhl's account of the "mentalité primitive"), and this idea is supported by extensive examples drawn from general folk-lore and from the *Handbuch des Deutschen Aberglaubens*. A second section deals with the methods of shutting oneself off, and shows how they are less easily observable in States than in the more primitive life of tribes. A third section traces the development of the autarchical idea from its origins in ancient political theory, from Plato to St. Thomas Aquinas, and mentions present-day France as being the modern State approaching most nearly to this ideal. The concluding section deals with the economic crisis of the present day under such titles as "Exaggerated Rationalism," "Specialisation pushed too far," and "Uncontrolled Decentralisation." It leads to the conclusion that the National-Socialist revolution, in its ultimate aims, is trying to effect a return to measure, moderation, organic entirety, control of technical powers through conscious organisation, corresponding more or less to the programme that found expression in the papal encyclicals "Rerum novarum" (1891) and "Quadragesimo anno" (1931).

This book does not aim at setting up an ideal of "return to the primitive"—it would not indeed be a suitable medium for such an attempt. For at no time has primitive man allowed himself to be reassured in his attitude towards life by extensive scientific researches

into his own primitiveness. Neither is it a topical account of the opening and closing of economic and political frontiers. Its mental level is such that it affords no point of attack to the fanatical upholder of unlimited free trade, while at the same time putting no useful weapon into the hand of the fanatical protectionist. It belongs much more nearly to the great trend of European conservative thinking which numbers many representatives in Great Britain, from Burke, Cobbett, Carlyle, Ruskin and William Morris down to Dean Inge. To the elements for which these names stand must, however, be added the newly-revived consciousness of magical interconnections, and—last but not least—of the fear of life, with which the Dane Kierkegaard has enriched the mental outlook of the modern European, and which, in the philosophy of the middle class, still retains its very specific importance.

If Laum's work, written from a fundamentally Catholic standpoint, deals with metaphysical realities, Werner Sombart's *Deutscher Sozialismus* goes straight to the root of what is the task of politics. But Sombart, although in the course of his full and active mental experience he has had to do with all the socialist and conservative ideas of his time, and up to the middle years of his life allowed himself to be strongly drawn to Marxist and Trades Union Socialism, nevertheless preserves the sense of detachment fitting to a scholar :

" The task [he says] which I have set myself in this book—that of giving a coherent survey of the different social problems of the day as viewed from a National-Socialist standpoint—is one that can only be carried out at a certain distance from every-day politics. . . . It has been my aim not only to pull to pieces all catchwords, but also to carry all theoretical and practical expressions of opinion back to their uttermost and deepest meaning."

Sombart's interpretation of events is also in the tradition of revolutionary conservatism, a tradition which includes, besides the English names already mentioned, such Germans as Justus Möser, Adam Müller, Paul de Lagarde and Ferdinand Tönnies. Sombart's critical estimate of the times, which links on to his own previous work, and which has been much influenced in these stages by Max Weber's analysis of rationalism and by Georg Simmel's *Philosophie des Geldes*, is—like Laum—in disagreement with the preponderance of narrow-minded mechanistic thinking, and confronts it with the ideal of organic entirety.

He further disagrees with the racial theories officially formulated in the German laws, and even entertains strong suspicions of a practical and religious nature with regard to the over-emphasis laid on eugenics (" Do we, for instance, know what is the mission of the idiot on earth? Formerly the village idiot used to be looked upon as a sort of saint "—p. 199). He approves, however, the economic and political segregation of the Jews. He is, incidentally, himself the author of a book not wholly free from romantic theorising, on " The Jews in Economic Life," and he does not shirk this problem. He lays down the principle of a specifically Jewish mentality, but expressly says that it is in no way necessarily an essential concomitant of being a Jew, and that, in fact, there are Jews who may be completely free from it, and in the Germanised descendants of mixed marriages it is often entirely absent (pp. 193 ff.). By this " mentality " he apparently means a kind of rationalistic over-intellectualisation which has cut itself off entirely from the roots of instinct. Even if we agree to this rather daring terminology, two questions still remain unanswered. First, no attempt is made to

explain why this over-development of the intellect has only occurred in the case of a certain number of *German* Jews, and not among Jews of other countries: what strange powers have combined to bring this about? Secondly, if a sociological nomenclature must be evolved which will also include persons of non-Jewish blood, would not rather more " Autarchy " in the formulation of the idea have been humaner, at a moment so tragic in the history of the Jews? Could an author of Sombart's terminological ingenuity find no other way of describing this type of " déraciné "?

Sombart, too, despite the fact that his thinking is ranged round a corporative ideal, does not draw the conclusion that the State—in Fichte's sense—should be economically closed and that all external relations should be an affair of State monopoly and the whole internal consumption systematically regulated according to amount and kind. His economic goal is not a planned economy after the manner of Lenin, built upon calculation and control, but rather something that we would designate as " guided economy," in which considerable spheres of freedom would remain, whose limits should be set down by the State—an ideal, by the way, which has much resemblance with those of the present younger school of English conservatism. Sombart quotes with approval, as an example of the way in which he envisages this " guided economy," J. M. Keynes' proposals for counterbalancing the economic fluctuation by aiming at a constant figure for the total volume of investments by means of a series of systematic incursions into the money market and the transfer of commodities.

The index of Sombart's book closes with the word " *Zivilisations-schutt.*" His book constitutes a challenge to this " downfall of civilization," and to economic, biological and technical materialism. It is the book of a gallant knight who in the course of a lifelong search for truth has never known the fear of running into errors. The words with which it closes are taken from a letter from an anonymous colonist: " We must literally dig ourselves into our German soil if we want to hold our own in the tumult of the world."

The book of Sering and his collaborators gives what is in many ways a startling picture of the practical aspects of this " digging oneself in." The account, written for the International Conference of Agricultural Economists held at Bad Eilsen in August 1934, goes far beyond the limits of a pamphlet intended for a particular occasion. It may almost be said to be the political testament of the doyen of agrarian research, depicting as it does in broad outline the historical origins of agrarian institutions and sketching with wise admonition the limits to be set to voluntary interference.

In relation to the immediate problems of agrarian policy in England it is particularly interesting to observe that the de-commercialisation of German agriculture, its detachment from the fluctuations of the world market and of internal movements of property, was in all essential particulars practically accomplished before the beginning of the National-Socialist regime. The tariff developments are sufficiently well known; their antiquated technique proved inadequate in the face of the damage done by the War, the inflation and the world crisis. The most important step was the raising of agricultural property out of the capitalistic tangle, the development of a *legal* protectionism in contrast to which *economic* protection took on the pallor of a liberal emergency measure.

Emergency decrees for the protection of the eastern agricultural districts of Germany were passed in the summer of 1930 and were repeatedly expanded by further laws until they covered the whole Reich and practically every agricultural undertaking. With these decrees may be said to have begun not only the revolution of German agriculture, but also, if one takes into consideration the connection between the *Osthilfe* and Brüning's political fate, the German Revolution itself. The National Socialists needed to make no radical additions to the property enactments of these laws, nor to the provisions for lowering of mortgage interest contained in Brüning's emergency decree of December 8th, 1931. Moreover, the laws regulating the markets for corn, eggs, butter and fodder (that of the middle of 1929, providing for the compulsory consumption of home-grown wheat, that of the end of 1929 raising the tariff on barley, fodder, etc.) have actually done more towards the dislocation of German foreign trade than all the measures passed by the Government since 1933. If, in accordance with a common misunderstanding, we interpret " Autarchy " as the limitation of imports and exports, possibly even combined with undesirable and harmful disturbances of the economic balance, then it may be said that in those years more was done to bring about a relative cutting-off of Germany, by means of a policy of agricultural protection which may have been right in itself but which was at any rate grossly over-precipitate in application, than theoretical " Autarchy "-propaganda, either inside or outside the German frontiers, could ever have effected. Sering's account does not neglect to give warnings that complete self-sufficiency cannot be the ultimate aim of German economic policy. Germany is not large enough to undertake an agricultural revival, a mass-redistribution of agricultural population, such as would form the basis for an industrial superstructure, making room to free a growing population from the evil of great unemployment. Germany will always be dependent on a considerable export trade, if only because of her own poverty in raw materials (p. 89).

But although a return to the soil may have a limiting and constricting effect on the economic fabric, nevertheless the maintenance of the peasant's existence is the foremost aim of the National-Socialist policy. This idea governed the property inheritance law of September 29th, 1933 (*Reichserbhofgesetz*), which was to be the crowning touch, in the eyes of the world, to the protection of the peasant practised under former governments. Sering sees in this law not so much a completion of the law of peasant succession to property, as a break with family constitution and the custom of inheritance which have been handed down for hundreds of years (p. 81). He gives voice to his fears that with so rigid a connection with *one* owner and *one* legal heir, the human and economic relationships between the peasants and their property may take on a new aspect. Similar fears may be entertained with regard to the introduction of the " leader principle " into the life of the corporate and co-operative societies, that German form of organisation which was given a new dignity by Gierke's monumental account on *Deutsches Genossenschaftsrecht*.

The great value of Sering's work lies not so much in its factual contents as in his demonstration of the dangers to which political action is exposed if it cannot find the right time and place for the realisation of an end which it is agreed is in itself advisable.

On the practical side, among the many opinions which hold that

" Autarchy " can be combined with the furthering of export trade, with world navigation, and with plans for colonisation, it is interesting to note the view of Dr. Hjalmar Schacht, expressed in his speech at the Press meeting during the Leipzig autumn fair (August 26th, 1934). His subject was the needs of German foreign trade, and in his speech he makes it perfectly clear, to those who look upon national economy as a separable water-tight compartment, that Germany does not want to denounce the profitable exchange of goods and resources with the rest of the world. The present-day forms of exchange, compensation and barter, appear not only to be restrictions conditioned by time, but also precursors of new possibilities of international traffic which, if they are to be used to the full, make demands on the imagination and the pioneering capabilities of the merchant (p. 21). Schacht even goes so far as to say that the exaggerated protectionism of the German creditors is driving Germany by compulsion into so-called Autarchism. No clearer denial of a German wish to shut herself off from the markets of the world seems to be thinkable.

Lastly, we may mention a very ably written pamphlet circulated by the Senates of the two old Hanseatic towns, Hamburg and Bremen, the title of which : *Kämpft durch Export für die Rohstoffbeschaffung*, speaks for itself.

Reviewing our survey from Utopia to reality we come to the conclusion that " autarchism " for Germany has only the significance of what Kant has called a " regulative idea," the actual contents of which must not be taken from street catchwords, but from the words and deeds of those few who are shouldering the political responsibilities of the country. JOAN HORNER.

48*. DIE VOLKSABSTIMMUNG IM SAARGEBIET. By Viktor Bruns. [*Schriften der Akademie für Deutsches Recht. Gruppe Völkerrecht.*] 1934. (Berlin : Carl Heymann's Verlag. 8vo. 183 pp. *Rm.* 4.80.)

THE author is a Professor of the Faculty of Law of Berlin University. He goes at some length into the controversy at Versailles between President Wilson and Clemenceau on the subject of the Saar, and how the result incorporated in the Saar Statute was finally arrived at. It was, of course, a compromise between two diametrically opposite points of view, and Doctor Bruns finds no difficulty in exposing its weak points. He then goes into the duties of the League in connection with the plebiscite, examining in detail each paragraph of Chapter 3 of the Saar Annex to the Peace Treaty. He prints in the form of appendices no less than 26 documents collected from various sources and all bearing on the Saar Statute, its origin and compilation.

The book is written with the minimum of bias. It would be impossible to ask more than that of a German jurist writing within a few weeks before last January's plebiscite, on the legal aspects of the Saar Statute and the duties of the League Council under Chapter 3 of that instrument. B. T. REYNOLDS.

49*. LES MINORITÉS DANS LE TERRITOIRE DE LA SARRE. By M. Vichniac. 1934. (Paris : Pedone. 8vo. 12 pp. 8 *frs.*)

The author (writing last year) argues by reasoning which is subtle, that the League Council would be justified in imposing a Minorities Treaty on Germany in respect of the Saar, if the Council returned that district to Germany after the plebiscite. This should, in his opinion,

take the form of a statute of autonomy, with a League Commissioner, and besides the ordinary clauses of the Minority Treaties, some provisions adapted from the Upper Silesian Convention for facilitating their enforcement. C. A. M.

50*. WIRTSCHAFTSKUNDE DES SAARGEBIETES. By Dr. W. Cartellieri. 3rd Edition. 1934. (Saarlouis: Hausen Verlagsgesellschaft. 8vo. 79 pp.)

Economic information on the Saar territories which, though well supplied with figures, tables, graphs, etc., is not entirely objective.

51. THE LAST KING: DON ALFONSO XIII OF SPAIN. By Warre Bradley Wells. 1934. (London: Frederick Muller. 8vo. 307 pp. 7*s*. 6*d*.)

As the title of this biography indicates, the author regards the revolution of 1931 as the final page in the history of the Bourbons and the régime they represented. But, though he does not conceal his sympathy with the republican cause, he strives to treat his subject with fairness. In his view King Alfonso "cuts, from the historical point of view, a figure pitiably insufficient; and from the human point of view a figure sufficiently pitiful."

In spite of this irritating style, Mr. Wells has managed to produce a vivid and fairly accurate picture of twentieth-century Spain and the events that led to the fall of the monarchy. For this he is largely indebted to M. Henri Béraud, the French journalist, from whose book, *Émeutes en Espagne*, published in 1931, he frequently quotes.

The narrative breaks off with the King's departure from the country; no reference is made to his life in exile or to the monarchist movement in Spain during the last three years. J. GUEST.

52. RETREAT FROM GLORY. By R. H. Bruce Lockhart. 1934. (London: Putnam. 8vo. 372 pp. 10*s*. 6*d*.)

IT was inevitable that *Memoirs of a British Agent* should have a sequel; and the present volume continues Mr. Lockhart's adventures from 1918 to 1929. In this later period the author is no longer himself an historical figure (a fact which explains the slightly ironical title). But he spent a large slice of these years in Central Europe, first as Commercial Secretary at the British Legation in Prague, then as representative of the British banking interests which laboured so hard and so expensively to erect a solid institution on the Threadneedle Street model amid the shifting quicksands of Central European finance, and lastly as a journalist. The havoc done by the creation of new frontiers and the spread of economic nationalism; the optimism and extravagance of the post-War years; the helplessness of hard-headed Anglo-Saxons from Lombard or Wall Street when confronted with the frank duplicity of the nondescript commercial gentlemen who thronged the new capitals at this epoch—such are the familiar high lights of Mr. Lockhart's vivid canvas. The last chapter takes us to Germany, and records *inter alia* an important interview with Stresemann in April 1929:

"If you had given me one concession [said the already dying German statesman] I could have carried my people. I could still do it to-day. But you have given nothing, and the trifling concessions which you have made have always come too late. . . . The youth of Germany, which we might have won for peace and for the new Europe, we both have lost. That is my tragedy and your crime."

*Retreat from Glory*, though its matter is necessarily less dramatic than that of its predecessor, is written in the same lively style, and displays the same eagerness on the part of the author to confess his own

shortcomings, which contributed so much to the popularity of the earlier volume.
JOHN HEATH.

53. EUROPEAN JOURNEY. By Philip Gibbs. 1934. (London: Heinemann, with Gollancz. 8vo. 451 pp. 8*s*. 6*d*.)

SIR PHILIP GIBBS explains the subject and character of his book very exactly in its sub-title: "The narrative of a journey in France, Switzerland, Italy, Austria, Hungary, Germany and the Saar in the spring and summer of 1934, with an authentic record of the ideas, hopes and fears moving in the minds of common folk and expressed in wayside conversation." Here are no diplomatic secrets, no attempt even to give the story of recent events; no interviews with "people of importance." The book is simply a rather discursive account of the author's travels and of innumerable conversations with fellow-travellers, landlords, waiters, customs officials, people met on the road or in a café, etc.

The voice of the common people is seldom recorded in political literature, and yet it is clear that, in the last instance, thereon depend the decisions of the leaders even in the most autocratically ruled countries. Sir Philip's record therefore possesses a real value, and might with profit be read by many who are too apt to identify history with the manœuvring of diplomats. The weakness of the method lies in the difficulty of determining what is in reality the common mind and the common will, when so many different points of view are reproduced verbatim. Sir Philip handles his material very skilfully, but he does not always avoid the insignificant, nor does the ease of his style always keep above the level of triviality. In the main, however, he succeeds in conveying very vividly his impression of a multitude essentially sane, harmless and friendly, but held by circumstance in a grip of nervous tension which in places approaches terror. He sees the chief hope for the future in "the detestation of war among those who remember the last—in all countries"; but he is uncertain of the younger men.
C. A. MACARTNEY.

54*. FASCISM AT WORK. By William Elwin. With an introduction by Francesco Nitti. 1934. (London: Martin Hopkinson. 8vo. 320 pp. 10*s*. 6*d*.)

IN his introduction Signor Nitti announces that the pseudonym "William Elwin" conceals the identity of an Italian of "competent scholarship and excellent academic qualifications." Signor Nitti's statement must, of course, be accepted, otherwise it might have been imagined that this book had been written by an enemy who was not well acquainted either with the country or its inhabitants. "Italy . . . is a land of bombs and political assassination. . . . Apart from Nazi Germany and Latin America, where machine guns habitually decide parliamentary elections and discussions, Italy has the lowest standard of political morals of any civilised country," are just two of "Dr. Elwin's" general comments in no way referring to Fascism.

Otherwise the work follows the usual plan of all anti-Fascist books; post-War Italy is represented as a country with a few local disturbances and a few hotheads enamoured of Lenin and his principles, and there are all the customary stories of the brutalities of the Fascists who broke into this Eden.

In his later chapters "Dr. Elwin" finds himself involved in certain difficulties. He seems unable to decide whether it was more repre-

hensible of the Pope or Signor Mussolini to end the sixty-year-old quarrel between the Church and the State, so the blame is equally distributed between the two. He incessantly proclaims that there is no freedom of thought or speech in Italy, and yet his criticisms of the Corporate State are largely composed of speeches and writings made and published in that country. His chapter on the syndicates, the corporations and the collective labour contracts is so inaccurate as to be entirely misleading. MURIEL CURREY.

55*. SOME ASPECTS OF ADULT EDUCATION IN ITALY. By E. J. Jones, Senior Staff Tutor for University Tutorial Classes, University College of North Wales. 1934. (London: World Association for Adult Education. 8vo. 48 pp. 1s.)

MR. JONES has written an admirable and most interesting book on one of the lesser known sides of modern Italian life. He has wisely realised that it is impossible to assess the value of what is being done to encourage adult education without first of all explaining the foundations on which it has to build, so after a brief summary of the educational system he describes the organisation and aims of the "Opera Nazionale Balilla," the youth organisation. He also includes the "Dopolavoro," the After-Work Association, the excursion trains which are teaching Italians to know their own country, the wireless, the cinema and the Press.

Perhaps the most interesting section is that in which he describes the great Società Umanitaria in Milan.

"Its Pre-Apprenticeship courses are a model of their kind. On enrolment, the student is meticulously examined by competent physicians and psychologists equipped with the most modern scientific apparatus for the detection of mental and physical traits. The parents of the pupil are also subjected to a brief interrogation in order to ascertain the character of the pupil in his home environment, and if his first choice of a vocation is influenced by economic reasons or family traditions."

During the three years that the pupil spends in the school, the first two are devoted to selecting a profession while examinations and a close study by teachers, physicians and psychologists are all directed to discovering his greatest natural talent.

This is a book which should be read not only by educational experts but by all students of modern Italy, for it touches the life of the people on almost every side. MURIEL CURREY.

56*. LA QUESTION CYPRIOTE AUX POINTS DE VUE HISTORIQUE ET DE DROIT INTERNATIONAL. Par Michel Dendias. 1934. (Paris: Sirey. 8vo. xxvii + 241 pp.)

THE author, who is dean of the faculty of law at the University of Salonika, is, as a Greek, naturally in favour of the union of Cyprus with Greece; but he endeavours to state his case impartially, and, preferring half a loaf to no bread, advocates for Cyprus Dominion status as a preliminary to union. He recognises the island's prosperity under the Lusignans, of whose "government it had no cause to complain," though they suppressed the Orthodox Archbishopric, whereas the Venetian "administration was almost detestable," and the Turks did nothing except to restore the Archbishopric. He mentions a curious German plan for occupying Cyprus in 1849, but ignores Disraeli's suggestion in *Tancred* and Dr. Temperley's two articles, showing that, in 1878, the British naval and military auth-

orities preferred Astypalaia. He rightly criticises the blunder of th British Government at that time in calculating the tribute on th surplus of revenue over expenditure during the five previous years o Turkish rule, for the Turks spent little and their surplus was therefor large. He praises British administration, and specially mention Kitchener's survey, and admits that the Moslems, according to th last census 64,238 out of a population of 347,932, are content witl British rule and in 1881 protested against union. The Greeks fron the first were Unionists, and their aspirations received encouragemen from Gladstone in 1879 and 1897, Mr. MacDonald in 1919 and Mr. Lloy George, who is reported to have told the Greek Minister in Londoı at the Armistice that he "would like to connect his name with Cypru as Gladstone his with the Ionian Islands" (p. 90)—the preceden usually quoted in favour of union. As the book was apparently writteı early in 1931, though published in 1934, the author omits M. Venizelos disclosure on July 6th, 1931, of Mr. Lloyd George's proposal to exchang Cyprus for Argostoli as a naval base (an idea recently revived b Lord Strabolgi), but mentions Mr. Winston Churchill's advocacy o the offer of Cyprus to Greece in 1915 in return for the cession o Kavalla to Bulgaria—a suggestion opposed by Russia. Greece ha her chance in that year when Grey offered her Cyprus on conditioı of immediate Greek help to Serbia; but the Cabinet, presided ove by the present President of the Republic, refused the offer, which ha never been repeated. By the Anglo-French Convention of 1920 which the author ignores, "the British Government agreed not t open any negotiations for the cession or alienation of Cyprus withou the previous consent of the French Government," in confirmation o the Sykes-Picot arrangement. Accordingly, Lord Passfield told th Cypriotes in 1929 that the question of union is definitely "closed,' and Mr. Shiels so treated it during his visit to Cyprus in 1930. Th author's comment is that "the Cypriotes are decided to employ onl legitimate means for the good of their cause," and deprecates violence But this was written before the insurrection of October 1931, wheı Government House was burned and the Metropolitans of Kitian an Kyrenia were deported. Had he brought his book up to the date o publication, he would hardly have written that Sir Ronald Storr "has become the object of the sympathies of the Cypriotes and i among the best administrators whom Cyprus has known and . . . i always loved by the Greeks" (p. 158)! This is a contrast to th Greek articles on "the little tyrant." That the Cypriote Greeks, lik the Corfiotes, prefer union with their kindred even if union involv material loss, is natural, and that one day their object will be attainec is probable. But the author overlooks three difficulties. Will th Cypriote Church, autocephalous for fifteen centuries, like subordinatioı to the Archbishop of Athens (whose history of *The Church of Cypru under the Turks* is omitted from the full bibliography)? Will th Cypriotes, now exempt from military service, relish compulsory service probably on the mainland? Is there not the risk of an Italian occupa tion, if union takes place while the Italians, whose methods the autho compares very unfavourably with the British, still hold the Dodecanese He does not mention that Queen Charlotte of Cyprus in 1485 cede the island to the House of Savoy, which has thus inherited the title o King of Cyprus, Jerusalem and Armenia. This last difficulty migh be obviated, as has been suggested, by the retention by the Britisl of a naval and aviation base in the island. Thus the Cypriotes woul

both have their cake and eat it: the island would be a Greek provin
protected by Great Britain from becoming an Italian dependency.

WILLIAM MILLER

57. LA POLITICA ESTERA. By Umberto Nani. 1934. (Milan. 8
60 pp. 3 *lire*.)

A brief and sermonising rather than informatory tract on Mussoli
foreign policy. C. J. S. S

58.* DIE SPRACHEN- UND NATIONALITATENVERHÄLTNISSE AN D
DEUTSCHEN OST-GRENZEN UND IHRE DARSTELLUNG.
Dr. Walter Geisler. 1933. (Gotha: Justus Perthes. 4
76 pp., maps. *Rm.* 12.)

DR. GEISLER has undertaken a thorough and much-needed exami
tion of the statistical and cartographical material used by the experts
the Peace Conference in 1919 in determining the German–Polish front
The problem was forced on serious students by the plebiscites held
Allenstein and Marienwerder and (to a lesser degree) by the Up
Silesian plebiscite, all of which gave results substantially (in the case
Allenstein overwhelmingly) more favourable to Germany than
statistics could have justified. It was naturally asked whether
plebiscites had been held in the Corridor and even in parts of Posnan
the Poles would really have secured majorities there.

Two explanations are possible of the discrepancy between statist
and plebiscite results: that votes were not cast on strictly racial lin
and that the statistics were themselves misleading. Dr. Geisler d
not exclude the former, but devotes his energies to proving the lat
hypothesis. His arguments run on lines already used by Germ
propagandists, but he develops them with a thoroughness which ma
this pamphlet a work of real scholarship. His principal points are:
that it was misleading to treat as Poles all non-German elements
the disputed territories (*e.g.* the Kashubs); (2) that language is not
itself a conclusive test of national consciousness; (3) that the sch
statistics, on which Polish propagandists strongly relied, and wh
unquestionably made a great impression on the Allied experts, w
(for a variety of reasons developed here with great ingenuity)
unsatisfactory and misleading guide. Dr. Geisler also criticises from
technical standpoint the cartographical methods employed in the Sp
map, which is the basis of all serious ethnographical maps of the regi

The deduction drawn by Dr. Geisler from this frontal attack
naturally, the sweeping one that "there is no Polish corridor," a
that there are no compact Polish majorities across the line of
Vistula and the Netze. It would be impossible, within the limits c
review or without an examination as detailed as his own, to confi
or refute the successive steps of Dr. Geisler's argument. All that
necessary here is to welcome this very able and concise presentment
the German case.

JOHN HEATH

## U.S.S.R.

59*. BANKING AND CREDIT IN THE SOVIET UNION. [*School of Slavo
Studies Monographs, Nos.* 4 *and* 5.] 1935. (London: Sch
of Slavonic Studies. 8vo. 76 pp. 3*s*.)

OF the innumerable books and pamphlets which are offered
those who would read about the U.S.S.R., there can be few wh
crowd into such a small space such a wealth of information a

description as this fascinating monograph. It is written with a verbal economy and uncritical objectivity which will make considerable demands on a reader who embarks on the reading of it with no more than a general interest in its subject; but anyone who is seriously interested in the economy of the U.S.S.R. will be full of gratitude to its authors.

In eleven pages the authors present an outline, brief but by no means sketchy, of the nature of the industrial organisation of the U.S.S.R. Thereafter, in 59 pages, we are given a thoroughly detailed, factual account of the whole monetary machine, together with a sufficiently full history of its growth to make us understand how it has come to be what it is.

In essence, banking in the U.S.S.R. is of a nature entirely different from banking in an unplanned capitalist society. In technique the two practices bear no more than a superficial resemblance, and that only over a small part of the activities known as banking.

In a capitalist society the function of the system is:

(*a*) to undertake the safekeeping of liquid resources of those who, for the moment, have no need of them, and to make due provision for the return of those resources to the depositor when he needs them;

(*b*) to decide who shall be provided with liquid resources in excess of those at his own disposal to meet temporary needs, and to grant the accommodation decided on.

Under a planned socialist economy, the functions of banking are fundamentally different, at all events in the U.S.S.R. (and it is difficult to see how the logic of the facts would permit any other conclusion).

The part played by the Gosbank is:

(1) to provide a channel through which working capital is put at the disposal of the industrial and economic units of the State, in order that they may carry out the planned tasks assigned to them by Gosplan:

(2) to provide a convenient check on the activities of the economic community. From the allotted plan of any unit can be deduced the proper "current asset" position at any time; and the Gosbank, which is, of course, the sole short-term banker, is in an unrivalled position to watch this;

(3) to provide, through the four long-term investment banks which are its subsidiaries, the fixed capital which, according, once more, to the plan, each economic unit is entitled to employ.

It is in the discharge of the second of these three functions that the Gosbank makes its most characteristic, most difficult, and most important contribution to the economy of the socialist State. It is obvious that it cannot be carried out without a high degree of inelastic control from the centre; but the reader will be impressed by the attempts which clearly have been made to avoid an extreme degree of centralisation; by the frequency with which, in the light of experience, the formal machinery has been modified in the interests of better working; and at once impressed and puzzled by the extent to which, apparently, unauthorised departure from the letter of the regulations is allowed. GEORGE WANSBROUGH.

60*. DAS EXPERIMENT DER INDUSTRIEPLANUNG IN DER SOVETUNION. By Robert Schweitzer. 1934. (Berlin: Deutscher Betriebswirte-Verlag. 8vo. 140 pp. *Rm.* 5.)

THIS book is usefully distinguished from most works on the First and Second Five-Year Plans by the fact that it deals not only with the prognostications and achievements of Soviet planned economy, but also with the manner in which it works. Dr. Schweitzer discusses, with the thoroughness characteristic of German scholarship, the theory

and practice of drawing up estimates of production, the degree to which the normal concepts of capitalist economy are applicable to planned economy, the relations between the central planning authority and the individual industries or factories, and the relations between factory managements and workers. A curious specimen is quoted of an agreement for the increase of production drawn up between the directors of a factory and a brigade of shock-workers. This is very much a book for specialists, but will be found by them of great value.

JOHN HEATH.

61*. LAW AND JUSTICE IN SOVIET RUSSIA. By Harold J. Laski. [*Day to Day Pamphlets*, No. 23.] 1935. (London: The Hogarth Press. 8vo. 44 pp. 1*s*. 6*d*.)

62*. THE UNIFIED TRANSPORT SYSTEM OF THE U.S.S.R. By K. N. Tverskoi. [*The New Soviet Library*, No. X.] 1935. (London: Gollancz. 8vo. 176 pp. 3*s*. 6*d*.)

63*. SCIENCE AND EDUCATION IN THE U.S.S.R. By Professor A. Pinkevich. [*The New Soviet Library*, No. XII.] 1935. (London: Gollancz. 8vo. 176 pp. 3*s*. 6*d*.)

64. COLLECTIVIST ECONOMIC PLANNING. Edited, with an introduction, by F. A. Hayek. 1935. (London: Routledge. 8vo. v + 293 pp., bibl. 10*s*. 6*d*.)

65. ECONOMIC PLANNING IN SOVIET RUSSIA. By Boris Brutzkus. 1935. (London: Routledge. 8vo. xvii + 234 pp. 10*s*. 6*d*.)

THE sinister activities of the G.P.U., and sensational public trials, have had the unfortunate effect of obscuring the extremely significant developments that are taking place in Soviet law and justice, apart from its application to political offences. These developments are described with admirable lucidity in Professor Laski's very interesting little pamphlet, which gives a survey of the judicial system in the U.S.S.R., the training and functions of professional and lay judges, prison administration, and the working of the so-called Comrades' Courts. Professor Laski's analysis emphasises that the Soviet legal system is strong in the very directions in which the English system has shown itself to be weak: in Soviet Russia the law has established vital contacts with every-day life, it is imbued with a strong sense of social responsibility, it is flexible and open to reform, and research is given a place of high importance. Soviet methods may have shorn the processes of the law of their panoply and the traditional dignities with which they are associated in Great Britain; but what has been lost in this direction has been gained many times over in a deeper reality and a constructive contact with life. Advocates of legal and penal reform will find much to interest and hearten them in Professor Laski's valuable little study.

Another of Russia's misfortunes consists in being so frequently presented to the world through the eyes of disgruntled *émigrés*, uncritical socialists, and notoriety-hunting tourists. In the series of descriptive volumes to which Mr. Tverskoi and Professor Pinkevich contribute we turn instead for enlightenment to Soviet experts and officials who are themselves workers in the activities which they describe. The idea is sound in conception, but Mr. Tverskoi's book on Transport does not encourage us to hope that it will be particularly helpful in execution. The volume certainly contains a large amount of interesting material on the development of all forms of transport in Soviet Russia, by rail, road, water and air. There are special

sections on transport in the Caucasus, the Ukraine, the Urals and Western Siberia, and so on. The book is provided with an index and a useful map. But it is all completely uncritical, and therefore fails to give a balanced picture. It is common knowledge that transport has been a "narrow place" in the Soviet economy for many years. Soviet newspapers have fulminated against the inefficiency of the staff engaged in transport work, the shortage of rolling stock, the unsatisfactory state of repair work. There was a serious crisis in transport in 1933, and drastic reorganisation had to be undertaken. That the situation is still difficult is evidenced by the recent appointment of Kaganovitch, one of Stalin's "key men," as Commissar for Transport in place of Andreev. But Mr. Tverskoi's preoccupation with the shortcomings and inefficiency of the Tsarist régime, as opposed to the achievements of Soviet rule, allows no hints of these troubles to appear in his pages. Consequently, although his book can be read with profit by those with some previous knowledge of the subject, it can only give a dangerously misleading view of the situation to the novice who goes to it for information.

This uncritical attitude does less harm in Professor Pinkevich's book, because he has a very different subject. It is possible to deny that the Tsarist régime was indifferent to transport development. Its indifference to education cannot, however, be gainsaid, since it bequeathed to the Soviets a population containing more than 60 per cent. of illiterates. Hence the present rulers of Russia had practically a clear field for their endeavours, and no one can fail to be impressed by the tremendous enthusiasm and energy with which they have addressed themselves to the task of education. As was inevitable, many mistakes were made, and these resulted in such a shoddily educated generation that governmental opinion became alarmed a year or two ago, and insisted upon fundamental reorganisation of the whole system, both with regard to the subjects taught and to the methods of teaching. While giving the Soviet government full credit for its notable achievements in this sphere, outside opinion may yet reserve final judgment on a system of education which, on Professor Pinkevich's showing, is exclusively materialistic in its outlook, in which school and industry are so closely related, and where scientific and other research has to accept the "Marxist-Leninist methodology" and "definitely to adjust its work to the needs of socialist construction as a whole."

Of the two companion volumes on Planning, *Collectivist Economic Planning* is concerned with the theoretical aspects of that burning topic, and sets out the critical analysis of socialist planning attempted by such well-known Continental scholars as Professors Hayek, Pierson, von Mises, Halm and Barone. Their main thesis is that upholders of socialism have devoted too much time to the mere endeavour to seize power, and too little time to a courageous examination of the real economic problems which will inevitably confront the socialist State in action. What happens to economic stimulus in a society which eliminates competition and abandons the profit-motive? How, in particular, is the efficiency of the managerial class to be preserved? Can the centralised control of all economic activity be reconciled with freedom of choice for the consumer and free choice of occupation for the population as a whole? How will the socialist State solve the

›roblems of economic calculation and of value in the absence of a reely functioning price system and a freely determined interest ate? These questions are of the very greatest importance and nterest, and their treatment in this volume should command universal ıttention, even if it does not secure unanimous agreement with the vriters' conclusions that socialism has no satisfactory answer to give.

*Economic Planning in Soviet Russia*, by Professor Brutzkus, deals vith the application of Planning to practical life, and sets out to ;how what the writer considers to be Soviet Russia's failure to con- ;truct a workable economic system. But the attempt is not very :onvincing. The author's strictures on the authorities in Russia for heir failure to work out a theoretical basis for their system, his :mphatic conclusions as to the " atrophy of economic calculation," .he state of " super-anarchy " into which Russia was plunged by ›ocialism, the impossibility under a socialist system of setting up and naintaining any mechanism for " co-ordinating production with the ıeeds of society," are made prematurely and without adequate proof. The writer's remarks (pp. 39 and 40) on the " skilled English work- nan " who " likes to live outside the town in a little house and to :ome into town by the underground railway," who " probably . . . lrives a Ford," and who hesitates as to whether to " enlarge his lwelling " or to " have a frock-coat or an evening dress for his wife," lo not demonstrate an intimate knowledge of the distribution of vealth in capitalist England.

Nothing would be more useful than a presentation of theoretical deas on Planning, together with an impartial and well-informed lemonstration of how these theories actually work out in the only :ountry in the world which has adopted a completely planned economy. Theories would then have a solid basis on which to work, in the ıbsence of which they tend to become mere bandying of empty words. 3ut writers inside Russia continue to be inhibited against free and ritical expression by the present conditions of dictatorship. Writers ›utside Russia continue to be hampered, either by prejudice, or by ack of knowledge of how the Soviet economic machine really works. ;o long as this state of affairs continues, a synthesis between the ideas ›f those who theorise and of those who practise will remain impossible ›f attainment. MARGARET MILLER.

›6*. SOCIALISM VICTORIOUS. By Leaders of the Soviet Union. 1935. (London: Martin Lawrence. 8vo. xii + 719 pp. 5s.)

THIS handy volume contains an English version of the official eports and resolutions of the Seventeenth Congress of the Communist 'arty of the Soviet Union held at Moscow in January 1934. It has ›een excellently printed and produced in the Soviet Union; and the ›nly criticism we have to make is that it appears more than a year .fter the Congress at which the reports were read and the resolutions ›assed. This delay makes some of the material, notably the parts ›f Stalin's own report which relates to the international relationships ›f the Soviet Union, rather out of date. J. H.

7. I WORKED FOR THE SOVIET. By Countess Alexandra Tolstoy. 1934. (London: Allen and Unwin. 8vo. vii + 254 pp. 10s. 6d.)

COUNTESS ALEXANDRA TOLSTOY'S memoirs fall into two parts. he first relates her experiences in the revolutionary years, when she

went through all the sufferings of the depressed *bourgeois* class, including imprisonment by the Cheka. The second begins in 1921 when she was appointed curator of the Tolstoy museum and school at Yasnaya Polyana. During the next eight years she fought a stubborn rearguard action to maintain Yasnaya Polyana as an island of Tolstoyism in a Communist sea. The story of the struggle illuminates a little known side of Soviet activity—the so-called "literary front"; and there are some vivid pictures of leading Bolsheviks. The amiable Kalinin exclaimed: "If your father were alive, how happy he would be to see what we have done for the working classes!" Stalin seemed "too polite for a Bolshevik"; and Lunacharsky, being himself suspect of unorthodoxy, delivered a long Communist harangue "in a sonorous voice" at the Tolstoy centenary celebration. The attempt to reconcile Tolstoy and Marx naturally failed; and the Countess Alexandra emigrated to America, where she has since lived.

JOHN HEATH.

68. SECRETS OF SIBERIA. By Pierre Dominique. 1934. (London: Hutchinson. 8vo. 288 pp. 10s. 6*d*.)

THE French original of which this is a translation was reviewed in the issue of *International Affairs* for January 1934. It is in no sense a profound or important book; but as journalism it is well done, and covers less hackneyed ground than the numerous similar impressions of European Russia. The writer does his best to be impartial. On the whole he is not unsympathetic to the Soviet régime. But he does not conceal the fact that, in Siberia at any rate, distress is widespread and "equality" almost as far off as it was in the days of the Tsars.

JOHN HEATH.

## NEAR AND MIDDLE EAST

69*. SHIFTING SANDS. By Major N. N. E. Bray. 1934. (London: Unicorn Press. 8vo. xii + 312 pp. 12s. 6*d*.)

SIR AUSTEN CHAMBERLAIN, in the brief foreword which he contributes to this book, pays a tribute to the writer but declines to commit himself to his military thesis, namely, that the plan of campaign adopted by Faisal and Lawrence prevented the Arab armies from achieving a success "worthy of their patriotism and in proportion to the lavish expenditure of money and other material assistance they were provided with." The same prudent reserve is obviously demanded of a civilian reviewer. But the strategic argument must largely be decided by the answer given to a prior question: whether the Arabs were capable of massing their forces to carry out a large-scale operation, or could be utilised only as irregulars. Major Bray, better acquainted with the sedentary Arabs than with the Bedouin, asserts the former; Lawrence, from experience of the Bedouin, maintained and acted on the latter. It must be said that the available evidence supports Lawrence, and Major Bray's discussion of the campaign and its issues is too slight to prove the contrary, in spite of many shrewd observations.

Apart from this general question, his account of his personal experiences is full of valuable sidelights on Arab history from 1913 to 1918. In Syria, before the War, he was unexpectedly brought into touch with members of one of the Arab secret societies, which had pinned its hopes already upon Ibn Sa'ud. During the War itself he

gives us a good eye-witness account of the capture of al-Wejh, one of the turning-points of the Arab campaign, and some glimpses of Sir Mark Syke's relations with the Cabinet. The book ends with details of his activities as governor of Kerbela, together with some striking reminiscences of Leachman, and a rather cursory history of Ibn Sa'ud. He writes throughout as a warm supporter of the Arabs, with an enthusiastic belief in their future that gives vigour to his pen, though it occasionally slips in transcribing their names. H. A. R. GIBB.

70. SWORD FOR HIRE. By Douglas V. Duff. 1934. (London: John Murray. 8vo. xv + 337 pp. 10s. 6*d*.)

WE do not know who was the Roman soldier who 1900 years ago brought the Roman eagles into the Temple precinct and kindled the flame of national feeling among the Jews. But we know from this book who was the English police officer who tore down the screen at the Western or "Wailing" Wall of a Temple in Jerusalem in 1928 and thus started the agitation of Jewish and Arab feeling which led on to the outbreak of 1929. Mr. Duff was that officer, and he describes that incident, and many others in the history of Palestine during the decade 1922–1932, vividly and picturesquely. It is a biography and a book on Palestine written from an unusual angle, that of a police officer not high in rank but with unusual literary powers and critical sense. The book is described as "The Saga of a Modern Free Companion," and that sub-title indicates the outlook and the braggadocio of the author. He served in the War as a midshipman, entered a monastery for two years, then joined the Black and Tans, and when they were disbanded the British Gendarmerie Force for Palestine. From that he passed after four years to the Palestine Police Force. Wherever he went, he had a nose for adventure and made the most of his opportunities. He went with the British mission to Jeddah which made the treaty with King Ibn Sa'ud: he was in charge of the police in the Holy City on many occasions when there were religious brawls: he saved a Jewish settlement from destruction in the riots of 1929. He does not believe that discretion or reticence is the better part of biography, and he has many hard things to say of his superior officers and of the people of the country. And a hint of warning should be given to the reader who does not know the details of the modern history of Palestine. He often telescopes incidents or varies them to make a story more picturesque. He is, therefore, a better guide for the general than for the particular. But he has large sympathies, a fighting spirit and a fighting pen, and he can tell a good story. His book then is much more interesting than many more accurate and more correct narratives of Palestine. He compensates for inaccuracy about names by a meticulous accuracy about military decorations in the index. NORMAN BENTWICH.

71. HISTORY OF PALESTINE DURING THE LAST TWO THOUSAND YEARS. By J. de Haas. 1934. (New York and London: Macmillan. 8vo. xxvii + 523 pp. 15*s*.)

MR. DE HAAS, a leading American Zionist, has sought to write the history of Palestine during the last two thousand years; and he has set about his task by culling extracts from the writers of all ages and many countries, and weaving them together skilfully by his own vivid reflections. The result is a lively and picturesque book which does convey the continuity of history in the most historical of countries

and brings to the mind of the reader a consciousness of the imperishable in Palestine. When he leaves his authorities his language, indeed, is apt to be turgid, as when he writes in the introduction :

"Not only Time's sanction has granted holiness to Palestine, but faith has conferred on it the mantle of the sacrosanct. . . . In the literal sense the country, in which divinely-ordained personages lived, whose acts, however simple, are open to esoteric and metaphysical interpretations, has borne the burden of its sanctity."

And he revels, almost, in inaccuracy. He can scarcely write a page, whether about the ancient, the mediæval or the modern history of Palestine without making some misstatement of name or place, even when he comes to the latest period, of which exact information is most readily available. In the course of one chapter he dates the opening of Herod's Gate in Jerusalem—which is part of the circuit of Sultan Suleiman the Magnificent—at 1875: he makes Professor Sir George Adam Smith an American, and he places the residence of the High Commissioner of Palestine on Olivet. The book, then, must not be read as an exact historical record of Palestine; and its statements about persons and places must always be taken with reserve. It is rather as a record of the pageant of civilisation through the little country that it is to be judged and appreciated. And the reader who wishes not to end with a distorted picture will omit the last three chapters which deal with the events of the World War and the post-War conflicts. There the writer ceases to be an historian and becomes a propagandist. NORMAN BENTWICH.

72*. AFGHANISTAN: A BRIEF SURVEY. By Jamal-ud-Dīn Ahmad and M. Abdul-Aziz. 1934. (Kabul: Dar-ut-talif. Large 8vo. xx + 160 pp.)

THIS well-printed and profusely illustrated volume has the virtues of a good handbook or official calendar—geography, geology, climatic statistics, carefully selected historical sketch, reigning house, constitution, and administrative services, with appendices ranging down to postal charges and customs services. The authors have done their work well within the limits assigned; the facts which they give seem to be accurate and, while allowance may be made for a certain optimism, demonstrate the very considerable advance made in the organisation of Afghanistan during recent years. H. A. R. GIBB.

## INDIA

73*. THE PRINCES OF INDIA, WITH A CHAPTER ON NEPAL. By Sir William Barton, K.C.I.E., C.S.I. 1934. (London: Nisbet. 8vo. xvi + 327 pp. 15s.)

SIR WILLIAM BARTON'S book is very opportune, for the position of the Princes and their attitude towards federation loom largely in the Indian reforms scheme. The author is well equipped as a distinguished political officer who has been British Resident at Hyderabad, Mysore and Baroda. The book is the most readable work yet published on the subject, being excellent in arrangement, style and balanced judgment. As Lord Halifax points out in his introduction, less is known in this country of the Indian States than of any other of the principal elements in the Indian question. This is partly due to the heterogeneity of the States. There are altogether 562 States or groups of territory that are not British India. Of these, 327 may be eliminated

as relatively insignificant. Altogether the Rulers of 108 States have a seat in the Chamber of Princes in their own right, and 127 States send 12 representatives in addition. The States cover about one-third of the surface and contain about one-fourth of the population of India as a whole. They are adjacent to, or surrounded by, the provinces of British India. But from north to south, as the author says, " a distance of nearly 2000 miles, one might travel almost entirely through territory of the Indian Princes without touching British India." Some States have formal treaties; the relations of the others with the British Government are regulated by written engagements or in other ways. Their external relations are controlled by the British Government, but within their boundaries they have internal sovereignty in varying degree. The form of government is, with rare exceptions, autocratic. Sir William Barton deals very skilfully with the main features of the history of the States, the lives of the Rulers and their people, the systems of government, the relations between the Princes and the Paramount Powers, the work of the Political Department, the claims and the criticisms of the Princes, and their position *vis-à-vis* British India. The book is brightened by anecdotes and personal experience, an excellent little map and well-chosen illustrations.

As regards federation, the author recognises the difficulties and wisely refrains from prophecy. He traces some of the causes that possibly influenced the Princes in declaring originally for federation in principle. " His conclusion," to quote Lord Halifax, " is that, if the Princes do finally decide to join the federation, they would be assured, by virtue of their wealth, experience and leadership, of a great position in it and that they would have both the opportunity and the responsibility of bringing to the federation that quality of stability of which they are the chief exponents in political India to-day." It is not possible in a short notice to do justice to this book, but it should certainly be read by all who are interested in Indian constitutional reforms. HARCOURT BUTLER.

74*. THE INDIAN STRUGGLE, 1920–1934. By Subhas C. Bose. 1935. (London: Wishart. 8vo. 353 pp. 12*s.* 6*d.*)

THIS is an important Left Wing contribution to the recent political history of India written by a man who has himself been a protagonist in the struggle which he describes, in close contact with all the principal parties and their leaders. The author, while still a student at Cambridge, abandoned the Indian Civil Service for a political career and served his apprenticeship in Bengal under " Deshbandhu " C. R. Das, whose premature death removed Mahatma Gandhi's only possible rival in the competition for national leadership. Since then he has frequently been in prison and is now debarred from entry either into India or into Great Britain. His book is debarred from circulation in India. Its importance lies in its revelation of the general attitude and temper of the youth movement, of which Mr. Bose has been a principal leader and organiser. They want to see in India a national government with a status equal to that of other nations and they take no interest in the British controversies for and against the White Paper. Mr. Bose dissociates himself from terrorism and revolutionary crime, but his attitude towards the British Government is one of irreconcilable opposition, with complete scepticism as to the sincerity or disinterestedness of their motives or policies. His hostility is open and avowed but has no element of bitterness and it does not

prevent him from speaking with praise of the good qualities of particular British officials, both high and low, with whom he has come into contact or collision. The same outspoken frankness characterises the whole of his account of the difficult and stormy decade which began with the civil disobedience movement in 1921. There is no attempt to gloss over or conceal internal dissensions or failure of leadership at critical moments. Mr. Bose is essentially the fighting revolutionary for whom the whole art of politics is to do as much harm as possible to your adversary. It is from this standpoint that he passes under review in his brilliantly written book all the leading figures in Indian politics both past and present and finds few, if any, who can satisfy his exacting standard. Mr. C. R. Das is perhaps the solitary exception. Mr. Gandhi is constantly under fire. His retreat in 1922 after Chauri Chaura, his opposition to the Swarajists in 1924, his agreement with Lord Irwin in 1931, his handling of the Round Table Conference and his " surrender " in 1933 are all severely criticised. Unlike C. R. Das, he did not know that " situations favourable for wresting political power from the enemy do not come often, and when they do come they do not last long." On the other hand, there are generous tributes to his " single-hearted devotion, his relentless will and his indefatigable labour." The Indian National Congress of to-day is largely his creation; its constitution is his handiwork; from a talking body he has converted it into a living and fighting organisation. Mr. Bose has little sympathy with the Mahatma's frequent fasts, but he admits that his fast for the Untouchables in 1933 had a permanent and far-reaching effect in rousing the conscience of the Hindu community. Discussing Mr. Gandhi's recent withdrawal from politics, Mr. Bose thinks there is no real parallel between the present situation and that which began ten years ago when Mr. Gandhi left the Swaraj party in undisturbed possession for four years. The Working Committee of the Congress does not now include Mr. Gandhi, but it has been packed with his " blind supporters." " Whether he will be able to retain his political following in the years to come " in the event of the British attitude being as unbending as it is to-day " will depend on his ability to evolve a more radical policy." Young India will not long remain satisfied with a programme set in a framework of " mid-Victorian Parliamentary democracy and traditional capitalist economics." The last two chapters are " The Bengal situation " and a " Glimpse into the future." In the first there is a discussion of the psychology of terrorism and an appeal to the present Governor of Bengal to carry further the effort made by his predecessor to get into direct touch with the revolutionary party. Mr. Bose altogether rejects the theory of " middle-class unemployment " as being the cause of the movement. " If that had been the case, well-to-do people would never have been drawn into it." The last chapter discusses Pandit Jawaharlal Nehru's recent statements that India will have to choose between some form of Fascism and some form of Communism. Both alternatives are rejected and Mr. Bose gives his reasons for thinking that Communism is in many ways repugnant to Indian feelings and tradition.

F. G. PRATT.

75*. LIVING INDIA. By Lady Hartog. 1935. (London: Blackie. 8vo. xi + 200 pp. 3*s*. 6*d*.)

THERE are masses of people in Great Britain still who would be floored by the most elementary general knowledge paper on India.

For their benefit the Imperial Studies Committee of the Royal Empire Society has arranged for the publication of a book designed to " bring home to English-speaking people some outline knowledge of the true living India." Lady Hartog has had unique opportunities for observation and study and she has accomplished a very difficult task with conspicuous success. The reader will find in this book not only a pocket encyclopædia of important and interesting information about agriculture, production, population, industry and transport, but also a vivid picture of daily life and habits, social and religious ritual, holidays and recreation, food and dress and family life in India.

The outlines are traced of India's age-long development from the first Maurya unification after the Hellenic intrusions down to the plans taking shape to-day of an All India Federation. The very interesting chapters on agriculture and education are a good introduction to two of the greatest of India's outstanding problems. To a general description of the Indian States is added an account of the leading States in each regional area. Here perhaps it might have been useful to insert the classification of the States as (1) directly represented in the Chamber of Princes (108), (2) indirectly represented (127), and (3) the rank and file left without representation (327). The book is handsomely produced at a low price with many excellent illustrations, maps and diagrams. F. G. P.

76*. India's New Constitution. By Arthur Duncan. 1934. (London: Figurehead Press. 8vo. 80 pp. 1s.)

This is a useful summary of the principal provisions of the White Paper and of the more important points in which its proposals have been altered in the report and recommendations of the Joint Parliamentary Committee. Mr. Duncan defends the proposals and refutes the charges of " abdication " which have been made against their authors.

F. G. P.

## THE FAR EAST AND PACIFIC

77*. The Australian Eastern Mission, 1934. Report by the Right Hon. J. G. Latham, C.M.G., M.P. 1934. (Canberra: Commonwealth Government Press. Fol. 27 pp.)

Last year the Australian Commonwealth Government made a new departure in sending a mission of a diplomatic character to visit the countries of the Far East. It was a sign of Australia's concern regarding the course which affairs appeared to be taking in East Asia and the Western Pacific Ocean, and of the Commonwealth Government's resolve to bring Australia, both as a political agent in Pacific affairs and as an important producer, prominently before the other peoples and governments in that area. The Australian Eastern Mission found its leader in the appropriate person of Mr. J. G. Latham, Commonwealth Attorney-General and Minister for External Affairs, who on his return made the present Report to the Parliament and Government at Canberra. The Mission visited the Dutch East Indies, Singapore, French Indo-China, Hong Kong, China, Japan and the Philippine Islands, finding everywhere a cordial welcome and making everywhere a most satisfactory impression.

Considerable time was spent in appropriate inquiry into the market for Australian products, and in studying the manner in which the Australian producer might extend it. But the non-Australian reader will find in the political paragraphs of the Report, and in the political passages of Mr. Latham's speech in Parliament on July 6th, 1934,

matter of greater interest. As preface to it, I would like to take this opportunity of saying that, coming across Mr. Latham's tracks in China and Japan three months later, I found what to him should be most gratifying evidence of his success, not only as an Australian statesman, but also as a spokesman of the whole British Commonwealth. Mr. Latham did a good day's work for Australia everywhere he went, but he also brought home to many, in Japan especially, the intangible factors of strength in our common citizenship which are not always well understood outside the British Empire.

This Report and the speech contain many interesting things, but none more interesting than the account of Mr. Latham's interview with Mr. Hirota, the Japanese Minister for Foreign Affairs. Mr. Latham and Mr. Hirota "agreed that there was no need for diplomatic representation by either country" in the other. In reply to further questions, Mr. Hirota said that, in the matter of the Mandated Islands, "he recognised that Japan was bound, by the terms of the mandate under which it accepted the islands, not to fortify them," and Japan had not done so. And he also agreed that "whether Japan was a member of the League of Nations or not," this obligation was equally binding. Mr. Latham, in conclusion, suggested that it would be "a sound thing" to do if Japan would also recognise the obligation to report annually to the League on the administration of the islands, whether she were a member or not. Mr. Hirota apparently did not answer.

A. F. WHYTE.

78*. JAPAN IN CRISIS. By Harry Emerson Wildes. 1934. (New York and London: Macmillan. 8vo. x + 300 pp. 8*s*. 6*d*.)

79*. THE RECONQUEST OF ASIA. By O. D. Rasmussen. 1934. (London: Hamish Hamilton. 8vo. 363 pp. 10*s*. 6*d*.)

80. THE DRAMA OF THE PACIFIC. By Major R. V. C. Bodley. 1935. (Tokyo: Hokuseido Press; London: Edw. G. Allen & Son. 8vo. xvi + 218 pp. 6*s*.)

81. LE JAPON VA-T-IL FAIRE LA GUERRE? Politique; finances; industrie. By Général de Division G. Becker. 1935. (Paris: Eugène Figuière. 8vo. 123 pp. 8 *frs*.)

MR. WILDES' book should command wide attention and discussion. It is the first full-grown effort to present Japan as she appears, changed and unchanged, since the outbreak of the "Showa Revolution," three and a half years ago. It is generally recognised that Japan, like Germany, is a country in an abnormal mood, and we hear criticism and abuse of Japanese "militarism," but very little is known or appreciated regarding the strains and stresses which affect Japan, or the mixture of faith, emotion and bravado which makes up the Japanese character. Mr. Wildes, an American, is familiar with this character, and with the history, sociology and atmosphere of the country. His purpose is to investigate the "personality" of Japan in her new phase. The account which he gives is recognisable in an intimate kind of way by one who has known Japan in an earlier period. It bears the stamp of knowledge; and its style may be compared with that of the books which Mr. A. M. Pooley used to write on Japan at the time of the Great War.

Japan, the author explains, is poor beyond all understanding by the West; Japan is "jittery with fear." Poverty and fear were the motives behind the political revolution of 1931-32, which loosed off the guns in Manchuria, brought the yen off the gold standard and

replaced a liberal parliamentary régime by a military dictatorship without any apparent change of political institutions. "The crisis in Manchuria and the May 15th affair (*i.e.* the assassination of Premier Inukai) explain all the political history of Japan during the next two years." The revolution would have developed further in the direction of military fascism in the form of imperial socialism free from parliamentary control, which was the aim of General Araki, the young army officers and certain civilian politicians, had it not been for the decisive influence of one old man of eighty-five. *Unus homo nobis!* Prince Saionji, the last of the Genro, "almost single-handed . . . had kept his country from slipping over into fascism."

Mr. Wildes' chapters on Agrarian Unrest, Student Strife, Examination Crammers, Police Methods, Commercial Corruption ("a rear-admiral, three assembly men and six accomplices convicted of stealing a battleship in order to sell it as scrap steel!"), Degradation of Women, Press Propaganda, Colonial Oppression are all interesting in their way, though they will not commend themselves to the friends of Japan. He concludes from the strained and anxious lines of Japan's "physiognomy" that the destiny of the country is set towards war.

"Japan has no other recourse if she would remain alive. . . . Her position is unstable, her social and her economic life rest on foundations too insecure to give support to the vast framework of her Empire. . . . Japan avoids disaster by diverting the attention of her restless and discontented people into safer interests. . . . A better and more permanently efficient remedy would be to undertake a sweeping reformation that would prevent the evils from occurring, but of this the Japanese have but a hazy thought. Their pride, perhaps their ignorance, prevents a recognition that the nation has been living much beyond its natural resources."

Such is Mr. Wildes' conclusion to his far-reaching and intelligent observations. It is not inevitable or absolute; for there is not only a Japanese madness, but a Japanese sagacity and moderation, and during the last eighty years the Japanese have given ample evidence of domestic and foreign statecraft. The chances against their running amok are greater perhaps than Mr. Wildes gives them credit for. Also there are powers of resistance both in Russia and in China beyond the range of the Japanese drive; and no one knows this better than the wise men of Japan.

The title of Mr. Rasmussen's book is misleading and inexplicable. The author deals not with Asia as a whole, but with the triangle of China, Japan and Russia, and its offspring, Manchukuo. It is difficult to discover what he means by "Reconquest," unless it is the driving of Western (and American) privilege and influence out of China—a process which, he thinks, is already well on its way. His picture is a disheartening one: the failure of the West to reach any honourable basis of understanding with China in the social or the political sphere; the intervention of Japan, bringing not peace but the sword. This is the theme of Mr. Rasmussen's book, which is a rather loose review of trends in Far Eastern policy during the thirty years of the present century. The author appears to be a resident of Shanghai, and to have had long and close acquaintance with the events which he describes with gusty vigour and reasonable accuracy. But he reacts violently against the ignorant insularity of the Shanghai Club, and also against "the glittering wealth of the huge missionary system."

"Education and religion being what they were, the pioneers of the West merely barged heavily into a nursery of fine arts, thinking, because rags and

tatters hung above the gateway, that it was a water-front pub, its habitués fit only for fisticuffs or redemption."

There is much shrewd criticism, and a good deal of rant. It is not a student's book. It is an individual explosion, not without interest and intelligent observation, readable in manner, but in matter rather lopsided. To understand the Far Eastern problem a steady light is required rather than intermittent fulminations. The author does not understand Japan, her character, her strength or her motives. To him, Japanese policy is "an enormous bluff," which "the West" could call at any time. He repeats the myth that it was British sailors who trained the Japanese guns at Tsushima. He espouses a new myth that it was the cold reception of the Feetham Report which occasioned the Japanese advance in 1931.

"The Report determined Japan upon her course of action. . . . If it had inspired the West to resist abolition (of exterritoriality) it would not have suited Japan. . . . Had it been adopted she would have had to play second fiddle to the Powers for years to come."

Here Mr. Rasmussen seems to be falling into the very error which he so vigorously denounces: he is judging the Far Eastern question *too exclusively from the angle of the International Concession at* Shanghai.

The two remaining volumes are of flimsier quality. Major Bodley's book is called a "treatise," but is in fact a "travelogue." It is dedicated to Viscount Rothermere "because of his great understanding of Japanese problems," by an author who does not seem to be fully qualified to offer such a bouquet. Into the middle of a superficial account of international rivalries in the Far East are sandwiched ninety pages of guide-book to the Japanese Mandated Islands, which are informative and entertaining: schoolmasters and missionaries, savages and converts, copra and sugar-cane, sharks and swordfish, culture pearls and stone bullion, mysterious ruins of forgotten cities, "atoll succeeding identical atoll with a few palm trees standing up here and there"; Saipan, Timian, Yap, Truk, Korror, Ponapé, Kusai, Palao and Jaluit. It is with regret that we leave this phantom world, but Major Bodley feels that it is up to him in his last three chapters to give his views on the likelihood of war in the Far East, and to express his preference for a renewal of the Anglo-Japanese alliance. The book is illustrated with a heterogeneous collection of photographs and a useful map of the Pacific.

General Becker's queer little book takes the form of a series of lecture notes—or is it modern verse?—illustrated with little maps and rather old-fashioned pictures, woven together into a chain of argument, which passes through the political development of the Far Eastern situation, the financial difficulties of Japan, the pressure of population, the industrial and commercial growth to the following unexpected conclusion:

"Japan is, in my eyes, the greatest Power in the world; alongside of our beloved France, rich, whatever people may say, and strongly armed (may she never be disarmed !), distinctly less populous (alas !) and furnished with an unquestionably less powerful fleet; a Power, more strongly equipped, on land at any rate, and (in spite of comparative youth) more completely educated politically than the United States; a Power more socially stable, and economically better adapted than the Soviet Republics or even than Great Britain."

The author does not answer the question asked in his title, but he concludes that, if war breaks out, Japan will win. P. J.

82*. POPULATION THEORIES AND THEIR APPLICATION: with special reference to Japan. By E. F. Penrose. 1934. (California: Stanford University Press. 8vo. xiv + 347 pp. $3.50.)

MUCH good work has been done on population problems in the last fifteen years or so, thanks to men like Professor Bowley or Professor Carr-Saunders in England, and Doctors Dublin and Lotka in the United States. Much, however, especially as concerns details, still remains to be done, both on the biological and on the economic sides. Mr. Penrose's book is a contribution on the economic side. After some years of study, he explains, he arrived at the opinion that progress in the subject is being retarded "as much by the inadequacy of existing theories as by the inadequacy of available facts." He therefore attempts to work out "a satisfactory conceptual scheme." Part I (91 pp.) discusses the Malthusian theory and the theories of the optimum. Part II (71 pp.) makes a general survey of the position in Japan. Part III (169 pp.) discusses the distribution of population and natural resources.

For four or five years now there has been agreement as to the fundamental facts of the Japanese position. Fertility is declining, so that despite the figures for the crude birth-rate the statistical probabilities point to the annual increase dropping abruptly about three decades hence. Dr. Uyeda, the foremost authority, believes that the Japanese population (now about 68 millions) will never reach the 100-million mark, and probably will not get beyond the 80-million mark, though that indeed will be no small addition to accommodate. Further, the available evidence shows that notwithstanding the large additions to the population there has been a steady rise in income per cent. up to the present day—production has grown even faster than population. The farming class as a whole, however, is over-populated, and not only can new additions to that class not be accommodated without a fall in its standard of living, but some of the agriculturists ought now to be transferred to other occupations. That is to say, Japan must become more and more dependent on industry and foreign trade. What are Japan's prospects as an industrial and foreign trading country? The question is pivotal. It is, indeed, *the* Japanese population problem.

It is not possible in the available space to traverse the book in detail, parts of which, like the careful and thorough examination of the economics of the disparity between the distribution of population and the distribution of natural resources, are very good. In general, however, the author seems to have fallen between two stools: as a treatise on Population it is too incomplete and depends almost wholly for illustration on one country, Japan, while as a study of Japan it scarcely gets beyond what for some time has been the established understanding amongst students of the subject. The author lived in Japan for some years (he was on the staff of the Nagoya Commercial College) and he is *au fait* with the subject and apparently could have written the book that students are waiting for—that is to say, what precisely is involved in Japan's necessity to industrialise and to trade abroad. It is correctly pointed out that if Japan cannot export her people, her only course is to export her goods. To prohibit them with tariffs has the same effect as to prohibit the emigration of her people. The world cannot pursue both prohibitions with impunity. We hope Mr. Penrose will go on with his studies and throw the much-needed light on the problem. The question grows more and more

urgent. The exact significance of the recent remarkable flooding of world markets with Japanese goods would make a good starting-point.

Though a point of detail, reference should be made to the author's comments on Australian immigration policy. Though careful not to exaggerate the relief that emigration can give Japan, he concludes that " there is no escape from the conviction that the prohibition of Japanese immigrants into lands controlled by the English-speaking people inflicts economic injury on Japan." There is more to be said for the immigration policy of Australia than Mr. Penrose allows. The real point about Japanese emigration and Australia, after all, is not that it can substantially alleviate the pressure in Japan (it cannot), but that most Japanese think it can. Rather than decry the policy, a better service to the Japanese to-day is to make them familiar with the work of the several Australian investigators, whose impartiality is not to be impugned, into the possibilities of the continent to absorb more population (*vide* Prof. Hancock's *Australia*; articles in *Economic Record*; etc.). Mr. Penrose makes no mention of these investigations. It can be said with some confidence, however, that, if one compares the slight gains that might accrue to Japan with the immense political complications which they would entail, it is not worth while for Japan to seek to change that policy. That, however, is not to say that it might not be worth while for Australia to modify it; indeed, it is easily conceivable that during the next two or three decades Australia might find it expedient to modify it. But the main point remains: what Japan needs, to quote the author himself, is not tropical lands but open markets.

Mr. Penrose rightly concludes on the note that the unlimited exercise of national sovereignty in the world to-day is highly dangerous, and needs a drastic modification in order to bring political institutions into line with the facts of modern economic life. But the irony of the Japanese situation is that Japanese policy in recent years has formed one of the most conspicuous obstacles in the way of founding the new outlook and the new order which the plight of Japan requires. The *coup d'état* by the Kwantung garrison in 1931 and its consequences; the *imperium-in-imperio* status of the army and navy ; and the mentality revealed in the treatment accorded to the murderers of Hamaguchi, Inouyie, Inukai and Hara, not to mention the promotion to the headship of the police in Manchukuo of Captain Amakasu, who murdered the Radical Osugi and Osugi's wife and seven-year-old nephew; these are instances of the tact and patience that will be required in those countries which must seek to help the Japanese to help themselves. W. R. CROCKER.

## THE UNITED STATES

83*. AMERICA'S TRAGEDY. By James Truslow Adams. 1934. (London: Charles Scribner's Sons. 8vo. vi + 415 pp. 12*s*. 6*d*.)

THE text for Mr. Adams' latest historical treatise is to be found in the writing of one John Rolfe, whose claims to fame lie in his marriage to Pocahontas and in his announcement that about the last of August 1619 " came in a Dutch man of warre that sold us twenty Negars." And therein lies America's Tragedy, and even tragedies, for many are the dramatic situations and developments revealed during the period of 250 years which this work covers. Prolific indeed were the seeds

sown in the early part of the seventeenth century—" self-government, slavery, religious and social reform and fanaticism, a race-old system of labour, stirrings of new social ideas;" they have borne fruit an hundredfold in hatreds, suffering, loss and estrangement and, to-day, in problems arising from the presence in the United States of twelve millions of an alien race.

It is a readable and instructive book, with approximately one-third devoted to a graphic account of the Civil War, and most of the rest to the incidents which led up to it and to the more than strained feelings which existed then, and still exist just a little bit, between the North and South. But, although the " twenty Negars " and the brethren that were added unto them in vast numbers form a dark background, from which they emerge to make a few dangerously passionate gestures as practically unsolicited freedom is conferred upon them, the centre of the stage is usurped more and more, as the drama proceeds, by quarrelsome whites, arousing an indignation which the author takes little pains to conceal. How scathingly he criticises the Abolitionists !

Mr. Adams leaves no doubt in our minds that his preference in this squabble, resulting eventually in civil war, between geographic sections rather than between parties, lies with the Southerner, who, in spite of his acceptance of slavery, based his way of life on human, as opposed to material, values; and, looking forward, he expresses the fervent hope that,

> " in readjusting itself to the life of the nation as a whole, the South may never lose that sense of values which has been its most precious possession, worth infinitely more than slaves or lands or modern mills."

LEGER.

84*. THE COMING AMERICAN REVOLUTION. By George Soule. 1934. (London: Routledge. 8vo. x + 314 pp. 10s. 6*d*.)

85. THE MENACE OF RECOVERY. By William Macdonald. 1934. (London: Macmillan. 8vo. ix + 401 pp. 10*s*.)

THESE two books on the Roosevelt experiments are written by men of widely divergent political outlook. Mr. Soule, a member of the editorial board of the *New Republic* who looks forward to the establishment of a planned economy in the United States, criticises the " New Deal " for not going far enough; Mr. Macdonald, a contributor to the *New York Times* and the *Herald-Tribune*, who seems to pin his faith to the healing influence of private enterprise and competition, condemns it for having gone too far. The two books have only this point in common, that each is impregnated with the social philosophy of its author.

When most of the books already published on the " New Deal " have been relegated to the scrap-heap, Mr. Soule's work will probably be found to have retained its place on the bookshelf. His purpose is far wider than a description of the various schemes of the Roosevelt Administration. He attempts to place the present régime within the general framework of a revolutionary era in American history. The book is divided into four sections, concerned with the Nature of Revolution, Changes beneath the Surface, the Crisis of the 'Thirties and the Coming Revolution. The first section is very largely a popular version of the theory of revolution and contains very little that is new. The last is speculative and suffers from a tendency to over-simplification. The value of the book lies in the two central sections. Mr. Soule first draws attention to the rigidities, internal and external, which have

**Europe:**



**U.S.S.R.:**



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